

**STATE, FOREIGN OPERATIONS, AND RELATED
PROGRAMS APPROPRIATIONS FOR FISCAL
YEAR 2017**

TUESDAY, MARCH 15, 2016

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2:30 p.m., in room SD-124, Dirksen Senate Office Building, Hon. Lindsey Graham (chairman) presiding.

Present: Senators Graham, Blunt, Moran, Leahy, Mikulski, and Coons.

**UNITED STATES AGENCY FOR INTERNATIONAL
DEVELOPMENT**

STATEMENT OF HON. GAYLE SMITH, ADMINISTRATOR

OPENING STATEMENT OF SENATOR LINDSEY GRAHAM

Senator GRAHAM. The subcommittee will come to order. Senator Leahy is on his way, but he said it was okay to start, so we will get started.

Our hearing today is on the United States Agency for International Development fiscal year 2017 budget request.

I would like to welcome our witness, USAID Administrator Gayle Smith. After opening statements from the Chair and ranking member, we will hear from Ms. Smith, and then we will have 7-minute rounds of questions and answers. I ask that the testimony submitted by the USAID Administrator and the USAID Inspector General be included in the record.

My opening statement is very quick. Thank you for what you do. You work in difficult places. Thanks to all those who work under you. They really do risk their lives for our Nation, trying to bring stability to very troubled areas of the world.

With that, Senator Coons, would you like to say anything?

Senator COONS. I will simply join you, Chairman Graham, in saying thank you to Gayle and to everybody in USAID who does so much to improve the world and to bring forth the best of American values to that world.

It is a difficult and dangerous time globally, and I am grateful for the opportunity to work with you on the subcommittee. Thank you.

Senator GRAHAM. We have the ranking member, Senator Mikulski. Would you like to say anything?

Senator MIKULSKI. Of course.

Senator GRAHAM. Be my guest.

STATEMENT OF SENATOR BARBARA A. MIKULSKI

Senator MIKULSKI. Thank you very much, Mr. Chairman.

I want to welcome Ms. Smith to the hearing. I eagerly look forward to her testimony. I might have to leave shortly after, because we have an Intelligence Committee meeting. But we are looking forward to hearing what she has to say about how we can use this other form of American power in the world to advance international interests and our own interests as well.

We in Maryland are very proud of our relationship with USAID. We have many non-governmental organizations (NGOs) in Maryland that are associated with it.

Mr. Chairman, we have many Maryland contractors and people who work either for a contractor or for an NGO that have been placed in harm's way. You all know about the dramatic rescue of Alan Gross. You know about the way Warren Weinstein was killed by an American drone but he was an American contractor. We have organizations like Catholic Relief, Lutheran World Relief, International Social Services, American Hindu World Service, International Orthodox Christian Charities.

So, one, we are involved. Second, our people are often in harm's way. We need to know how USAID is not only going to deliver services but also what are your thoughts about how we protect those people who are working in the field in America's interests, whether they work formally for the State Department or through these wonderful nonprofit organizations?

We also want to make sure that you have the resources that you need in order to do your job.

So we look forward to your testimony.

The other situation I want to bring to your attention is Anita Datar, who is a development worker. I hope you can share in your testimony or comments how you would like to be able to recognize her. She was killed in the line of duty, and we would like to get your thoughts on that.

Thank you, Mr. Chairman.

Senator GRAHAM. Ms. Smith, thank you. Please proceed.

SUMMARY STATEMENT OF HON. GAYLE SMITH

Ms. SMITH. Thank you very much, Mr. Chairman and Senators Coons and Mikulski.

I want to thank you, in particular, for recognizing the work of not only the men and women of USAID, but our partners. I think they do extraordinary work, and it is, unfortunately, not recognized as often as it should be, and it means a great deal to me and also a great deal to them that the three of you would recognize them for their hard work and their sacrifice.

I welcome the opportunity to discuss President Obama's fiscal year 2017 budget request for USAID. As you know, for more than 50 years, USAID has led our Nation's efforts to advance dignity and prosperity around the world, both as an expression of our val-

ues and to help build peaceful, open, and flourishing partners. This request will help advance that important legacy. But our budget line items tell only part of the story. In recent years, with vital support from Congress, we have acted to make our work more efficient, effective, and impactful.

First, recognizing that foreign assistance is just one valuable tool of many, we are making smarter investments with our assistance; leveraging private capital and funding from other donors to scale our impact; and supporting governments, small businesses, and entrepreneurs to mobilize domestic resources for development.

Second, recognizing that development is a discipline, we are improving the way we do and the way we measure our work. Since adopting a new evaluation policy in 2011, the Agency has averaged 200 external evaluations a year. Our data show that more than 90 percent of these evaluations are being used to shape our policies, modify existing projects, and inform future project design.

Third, recognizing that USAID can achieve more when we join forces with others, we partner with other U.S. Government agencies, American institutions of higher learning, NGOs, and communities of faith. When we can achieve greater efficiency or impact, we align goals and strategies with governments and organizations all over the world. And engagement with the private sector is now fully embedded into the way we do business.

Finally, recognizing that development solutions are manifold, we are pursuing integrated country strategies, helping to build local research capacity and harnessing science, technology, and innovation to accelerate impact faster, cheaper, and more sustainably.

These and other steps are making us more accountable, stretching our dollars further, and helping USAID live up to its important role as the United States' lead development agency.

For less than 1 percent of the Federal budget, the President's request will keep us on this path, enabling us to meet new challenges, seize emerging opportunities, improve the way we do business, and deliver transformational results on behalf of the American people.

Specifically, the request of \$22.7 billion will help advance progress in the four core pillars of our work: first, fostering and sustaining development progress; second, preventing, mitigating, responding to global crises; third, mitigating threats to national security and global stability; and fourth, leading in global development accountability and transparency.

In countries around the world, USAID works to foster and sustain development progress in a range of sectors. In global health, we will continue to save lives and build sustainable health systems in the countries where we work. We will also continue to achieve transformational progress through the U.S. Government's major development initiatives, including Feed the Future and Power Africa. And we will continue to promote quality education and increase access to safe water and sanitation.

Finally, as we know, progress is not sustainable without open and effective governance and a vibrant civil society. The request will enable us to expand our work in democracy, rights and governance.

As a global leader in humanitarian response, the United States is there wherever and whenever disaster hits. Our assistance saves lives and protects precious development gains, whether in Syria and South Sudan or on any of the four continents now affected by El Niño.

The President's request provides the agility and flexibility that is so desperately needed to prevent, mitigate, and respond to these global crises.

We also work in places of strategic importance to U.S. foreign policy to mitigate emerging threats and other global security challenges. This request supports these critical efforts from planting the seeds of dignity and opportunity that offer a counternarrative to violent extremism, to fostering goodwill toward the United States. We are addressing the root causes of insecurity and migration from Central America, strengthening our partners in Eastern Europe and Central Asia, and investing in long-term progress in Afghanistan.

Finally, this request will enable USAID to continue to lead. It includes support for the Global Development Lab to help us spur and integrate innovation across and beyond the agency, and for our Bureau of Policy Planning and Learning to help us continue to drive with evidence.

It also supports our work to strengthen USAID as an institution and support the men and women of this agency who serve their country bravely and in some of the world's most challenging environments.

It is a great privilege to serve the American people alongside the men and women of USAID, and I look forward to working closely with Congress to continue making USAID more agile, accountable, and impactful. Together, we are building the agency we need and the world deserves, and making investments in a better future that will pay dividends for years to come.

Thank you for this opportunity and for your support. I welcome your questions.

[The statements follow:]

PREPARED STATEMENT OF HON. GAYLE E. SMITH

Chairman Graham, Ranking Member Leahy, and distinguished members of the subcommittee: thank you for inviting me here to discuss President Obama's fiscal year 2017 budget request for the United States Agency for International Development. I want to thank you for your continued leadership and commitment to global development.

For more than 50 years, USAID has led our Nation's efforts to advance dignity and prosperity around the world, both as an expression of core American values and to help build peaceful, open, and flourishing partners for the United States. This request will help advance that important legacy, but our budget line items only tell part of the story. In recent years, with vital support from Congress, we have acted to make our work more efficient, effective, and impactful.

First, we recognize that though foreign assistance is a valuable tool, we cannot achieve sufficient impact through assistance alone. That is why we are making smarter investments with our assistance; leveraging private capital and funding from other donors to scale our impact; and supporting governments, small businesses and entrepreneurs to mobilize domestic resources for development. Through this approach, we are providing taxpayers with greater value for their money. For example, with every dollar USAID invested into more than 360 public-private partnerships active in 2015, partners committed about \$3.50 in both cash and in-kind contributions over the life of the partnership. In every region and every sector, we

are using our assistance to spur investment from other donors, private businesses, and country governments.

Second, we recognize that development is a discipline. We have improved the way we do—and measure—our work. Since adopting a new evaluation policy in 2011, the Agency has averaged 200 external evaluations a year, and our data show that more than 90 percent of these evaluations are being used to shape our policies, modify existing projects, and inform future project design. We are also doing more to measure impact, and working to create the feedback loop to ensure that what we learn is built into what we do. We must continue to institutionalize these practices to ensure we can drive with evidence, make mid-course corrections, scale what works, and, importantly, be fully transparent and accountable.

Third, we recognize that USAID can achieve more when we join forces with others. We have partnered with agencies across the U.S. Government, with U.S. institutions of higher learning, with non-governmental organizations and with communities of faith. Where we can achieve greater efficiency or impact, we also align goals and strategies with governments and organizations all over the world, including donor nations and developing countries. And, engagement with the private sector—including small businesses—is now fully embedded into the way we do business. In fact, in fiscal year 2014 USAID was one of only three Federal agencies to receive an A+ rating from the Small Business Administration. Additionally, we are prioritizing local ownership, a key component of sustainable development. Since 2010, we have doubled the percentage of our funding obligated through local governments, civil society partners, and local businesses.

Finally, we recognize that development solutions are manifold. That is why we are pursuing integrated country strategies and harnessing science, technology, and innovation to accelerate impact faster, cheaper, and more sustainably. We are helping to build local research capacity and sourcing new ideas from all over the world. Our Global Development Lab is designed to take smart risks to test out new ideas and help scale successful solutions. We must continue to work to integrate these capacities across the Agency and with our development partners.

These and other steps are making us more accountable, stretching our dollars further, and helping USAID live up to its important role as the United States' lead development agency. I am proud to say that even as expectations grow ever higher, we continue to work hard to meet new challenges, seize emerging opportunities, improve the way we do business, and deliver transformational results on behalf of the American people.

For less than 1 percent of the Federal budget, the President's request keeps us on this path. The request will provide the resources we need to deliver against our most urgent priorities and to advance our mission of ending extreme poverty and promoting resilient, democratic societies around the world while remaining consistent with the levels set in the 2015 Bipartisan Budget Act. Overall, the fiscal year 2017 budget request for the State Department and USAID is \$50.1 billion, \$35.2 billion of which is Enduring, and \$14.9 billion of which is Overseas Contingency Operations (OCO) funding.

The President's budget request of \$22.7 billion for USAID-related accounts will help enable progress in the four core pillars of our work: (1) fostering and sustaining development progress; (2) preventing, mitigating, and responding to global crises; (3) mitigating threats to national security and global stability; and (4) leading in global development, accountability, and transparency.

FOSTER AND SUSTAIN DEVELOPMENT PROGRESS

In countries around the world, USAID fosters sustained and inclusive economic growth, lifts millions of people out of extreme poverty, and promotes open and effective governance. This work has helped propel major gains in a whole host of sectors, from global health to food security, energy, education and water. The President's budget request focuses our resources on what works and uses our assistance to unlock additional funds from other donors, businesses, and most importantly, from developing countries themselves.

In global health, for example, the \$2.9 billion request will continue our work to save lives and build sustainable health systems in the countries where we work. We are focused on three goals: ending preventable child and maternal deaths, achieving an AIDS-free generation, and protecting communities from infectious diseases. In all of these areas, we have achieved major progress. As part of the President's Emergency Plan for AIDS Relief (PEPFAR), USAID is helping support life-saving treatment for 9.5 million people and in 2015 helped provide testing and counseling for 68 million people. Additionally, our efforts have contributed to PEPFAR being well on track to reach the bold HIV prevention and treatment targets set by President

Obama last September. Since 1990, we have helped save over 100 million lives, and the number of children dying preventable deaths has been cut in half. In partnership with UNICEF and other governments, our global leadership on ending preventable child and maternal deaths has spurred action from countries around the world. In fact, the Prime Minister of the Democratic Republic of the Congo recently agreed to increase domestic resources for health from 4.0 to 7.5 percent.

Additionally, our support of Gavi, the Vaccine Alliance has helped immunize two out of every five children born worldwide, and the President's Malaria Initiative (PMI) has helped countries throughout sub-Saharan Africa scale malaria prevention and control interventions, resulting in a major reduction in malaria illness and death. The request will continue these efforts, with \$275 million to support Gavi. To answer President Obama's State of the Union call to end the scourge of malaria, the request also includes an increase of \$200 million to fight malaria, made up of a \$71 million increase to the annual PMI level and a proposal to repurpose \$129 million in remaining Ebola emergency funds for malaria.

Through the U.S. Government's Feed the Future initiative, we will continue to strengthen U.S. leadership in ending hunger, malnutrition, and poverty. We are working in 19 focus countries in Africa, Asia, Latin America, and the Caribbean and are targeting our funds where our interventions have been most successful. The \$978 million request for Feed the Future reflects our evidence-based determination that increased funding for programs in, for example, Bangladesh, Ethiopia, Nepal, Senegal, Tajikistan, and Zambia will enhance our impact in those countries. At the same time, we have made plans to adjust programs in Haiti, Kenya, Mozambique, Rwanda, and Tanzania so we can achieve the same level of impact at a lower cost.

Feed the Future is a powerful example of what we can achieve when the world comes together around a shared global challenge, working with countries that want to take ownership of, contribute to, and be accountable for improving their food security. Over the past 5 years, Feed the Future and the New Alliance for Food Security and Nutrition have helped build a coalition that has committed more than \$30 billion—including funding from other donors and the private sector. Our coalition includes agencies across the United States Government such as the Department of Agriculture and the Millennium Challenge Corporation, over 70 top U.S. universities, and hundreds of other partners. This coalition has helped achieve major development gains, ranging from a 33 percent decrease in child stunting in Ghana to a 16 percent decrease in poverty in targeted areas of Bangladesh. And now, there is potential for the *Global Food Security Act*, which was passed by the Senate Foreign Relations Committee last week, to ensure that this partnership can continue to build on these gains for years to come.

Like Feed the Future, through Power Africa we have also mobilized a diverse global coalition of bilateral, multilateral, and private sector partners to maximize our impact across sub-Saharan Africa. USAID and our partners across the government have successfully demonstrated that this model works, and governments across the continent are eager to get involved. Power Africa's recently released Roadmap outlines a concrete plan for how we will achieve the ambitious goal of adding 30,000 megawatts (MW) of electricity generation and 60 million connections by 2030, thereby doubling access to electricity across the continent. Power Africa has already helped transactions expected to generate 4,300 MWs reach financial close. Power Africa will continue to build on our ongoing work to strengthen the investment climate across sub-Saharan Africa and to increase the capacity of African governments and utilities to develop and manage their domestic energy sectors. And just this year, we launched a new app to monitor transactions across the continent in real-time. In addition to improving transparency, this tool will help drive the competitiveness of African markets.

We have much work ahead of us to accomplish our goals, but with the recent enactment of the *Electrify Africa Act*, I am confident that Power Africa will continue to transform sub-Saharan Africa's energy sector to ensure the lights are on in more homes, businesses, and schools across the continent.

I know there is a similar level of bipartisan support for our efforts in education. Over the past 4 years we have pursued a strategy that emphasizes quality, with a focus on improving early-grade reading, helping young people gain skills important for future employment, and increasing equitable access to education in the many crisis and conflict-affected areas around the world. This outcomes-based strategy is working, and our \$788 million request—along with the additional financing leveraged from partners—will allow us to continue to support education all over the world.

Pursuing this strategy, we have reached more than 30 million children and young people have benefited in more than 50 countries since 2011. Part of the reason for this success is that many political leaders are putting real capital behind education.

For example, in Jordan, USAID developed an evidence-based reading and math program that improved student learning outcomes. Now, the Ministry of Education is supporting nationwide adoption of these early grade reading and math policies, standards, curricula, and assessments. Of course, with so much of the world in crisis, ensuring equitable education in unstable environments continues to be a challenge for the global community. USAID is on the front lines of this challenge, whether helping countries like Lebanon and Jordan expand access to education for all despite an overwhelming influx of refugees or acting quickly to set up non-formal education centers for Nigerian families displaced by Boko Haram.

In the coming year, we will continue our ongoing efforts to increase access to safe water and improved sanitation. This request of \$256 million will specifically support water supply, sanitation, and hygiene programming, or WASH. But USAID's commitment to improve access to water extends well beyond that number; we support water programs in coordination with other sectors, including global health, food security, and disaster assistance. This is also another sector where we leverage a great deal of investment from others, including through partnerships with major corporations like Coca-Cola to improve sustainable water access.

The budget request also continues our important work to foster sustainable development that reflects the realities of a changing climate. The request of \$352.2 million through the Global Climate Change Initiative will further our work overseas to promote low-emissions development and to help our partner nations lighten their carbon footprint, adapt to climate-driven risks, and promote public health. And, we are enhancing our impact by pursuing cross-sector partnerships. For example, on behalf of the U.S. Government, USAID created the Tropical Forest Alliance 2020, a partnership of more than 60 government, private sector, and civil society participants working together to reduce commodity-driven tropical deforestation.

Our work in all of these sectors and more will be essential for fostering sustained and inclusive economic growth all over the world. But progress is not sustainable without open and effective governance. That is why this request also includes \$2.3 billion for USAID's work to strengthen democracy and governance around the world. This support is essential at a time when we are seeing troubling trends like democratic backsliding and closing space for civil society, independent voices, and aid workers. It also enables us to seize opportunities presented by significant democratic breakthroughs, such as last year's breakthrough elections in Burma and Sri Lanka.

And, as I noted earlier, we are continuing to learn more about how to achieve impact with this work. For example, an impact evaluation in Malawi found that an increasing number of well-trained election monitors reduced instances of fraud by up to 6 percent. And that helped inform our approach in Burma, where among other activities, we trained and deployed thousands of domestic observers. The result was the most inclusive, credible, and transparent election in the country's recent history. We are also working to bolster rule of law and good governance. In partnership with the Millennium Challenge Corporation and countries worldwide, USAID adopted e-governance innovations that revamped procurement systems in Indonesia and Paraguay, reducing corruption in public contracting.

The request also continues our important work to advance progress for women and girls across the world. That includes \$75 million toward the U.S. Government's Let Girls Learn initiative, including the Let Girls Learn Challenge Fund, which will enable USAID to empower adolescent girls through increasing access to quality education and removing barriers to success. Additionally, USAID will continue to pursue efforts to prevent child, early, and forced marriage; support children in adversity, and prevent gender-based violence.

We are also supporting various regional development strategies, including a \$75 million request for Trade Investment Capacity Building to align, focus, and expand current bilateral and regional trade programs in sub-Saharan Africa and an additional \$10 million request for the Young African Leaders Initiative. Additionally, development is a vital underpinning of the Asia-Pacific Rebalance, and this request includes \$694.4 million to strengthen democratic processes, promote rule of law and respect for human rights, and enhance critical trade efforts and prevent pandemic health threats in the region.

PREVENT, MITIGATE, AND RESPOND TO HUMANITARIAN CRISES

The United States is a world leader in humanitarian response. Whenever a disaster hits, we are there to provide food, medicine, water, even the tools to rebuild. Over the last 7 years, USAID has deployed 23 Disaster Assistance Response Teams (DARTs); on average, USAID has responded to 60 emergencies each year. We currently have four DARTs deployed simultaneously—in Iraq, South Sudan, Syria, and Ethiopia. The United States is the single largest donor of humanitarian aid to the

Syrian people, and is feeding more than 1 million people in South Sudan each month. We are responding to El Niño on four continents, including in Ethiopia where our efforts are building on the Government's strong response and long-standing work to build safety nets for its people. Our assistance is saving lives and protecting precious development gains.

The request of \$3.3 billion in USAID-administered humanitarian assistance accounts provides the agility and flexibility that is critical in preventing, mitigating, and responding to global crises. The request includes additional flexibility in our title II food assistance program to make it more effective, so we can assist approximately 2 million more people in crises with the requested resources. An additional \$107.6 million is requested to prevent conflict and stabilize emerging democratic processes in critical transition environments, and for quick response to urgent, unanticipated civilian contingencies. This will enable USAID to take advantage of opportunities to catalyze positive change in countries all over the world, as we have done in Burma, Kenya, and Colombia.

We do this work in increasingly challenging environments, as we face crises that are chronic, complex, and severe. These crises strain our resources and take a toll on our people. That is why, even as we continue to respond to the most urgent crises, we must invest now to manage a future of rapid and often tumultuous change. That includes scaling up some of the most effective but least visible work USAID is doing across the agency to foster resilience—or the capacity of people, communities, and countries to withstand external shocks. And it includes using tools like our Famine Early Warning System and fragility analyses to help anticipate crises to the best of our ability.

It also includes staying the course for years to come on the Global Health Security Agenda—ensuring that investments made with funding from the emergency Ebola request in December 2014 continue to prevent the spread of Ebola and other infectious diseases. Ebola, and now Zika, have exposed the degree to which the world is unprepared to respond to infectious disease threats. These outbreaks serve as an important reminder that all countries need to have the capacity to prevent, detect, and respond to disease threats. Full implementation of the Global Health Security Agenda will protect Americans by extinguishing outbreaks at the source before they threaten our national and global security.

MITIGATE THREATS TO NATIONAL SECURITY AND GLOBAL STABILITY

As the latest National Security Strategy affirms, development plays a “central role in the forward defense and promotion of American interests.” That is why USAID works in places of strategic importance to U.S. foreign policy to mitigate emerging threats and other global security challenges. These are countries where achieving development gains is especially difficult, and development is an especially slow process. But our efforts there are nonetheless critical, from planting the seeds of dignity and opportunity that offer a counter-narrative to violent extremism to fostering good will toward the United States.

For example, the \$470.3 million request for USAID-implemented activities to improve prosperity, economic growth, and governance throughout Central America will help address the root causes of migration from the Northern Triangle countries of El Salvador, Guatemala, and Honduras. A dramatic rise in crime and violence has slowed economic growth in these countries, and USAID has made important progress through crime prevention activities. In fact, an initial analysis indicates a 66 percent drop in homicides in the Salvadorian communities where USAID targets its programming. Guatemala has taken critical steps to decrease impunity, and El Salvador has adopted the most comprehensive national security plan in the Northern Triangle—based on USAID's community crime prevention model.

We acknowledge that in many of these challenging environments, security constraints and limited staff can make it difficult to monitor projects and measure progress. USAID is committed to responsible stewardship of taxpayer funds in any circumstance. That is why, in Afghanistan, USAID developed a multi-tiered monitoring approach that allows project managers to gather and analyze data from multiple sources, triangulate information to ensure confidence in the reporting, and use the results to make programmatic decisions. To implement this approach and ensure proper oversight, we are scaling up third-party monitoring.

Additionally, the request includes \$698.1 million in Economic Support Fund and Global Health Programs funding to help strengthen market economies and trade opportunities, independent media and democratic institutions, energy independence, and enduring commitments such as health and education in Europe, Eurasia and Central Asia. These efforts are part of the U.S. Government's broader effort to help

Ukraine, Georgia, Moldova and Russia's neighbors stand strong against increased pressure from Russia.

LEADING IN GLOBAL DEVELOPMENT, ACCOUNTABILITY, AND TRANSPARENCY

This request positions the United States for continued leadership in global development, accountability, and transparency. That includes \$195.5 million for the Global Development Lab (Lab), and our Bureau for Policy, Planning, and Learning (PPL). The Lab will help spur and integrate innovation across and beyond the Agency, while PPL will help us continue to lead with evidence-based approaches to development.

The request will also help support and strengthen USAID as an institution. The requested \$1.7 billion for USAID Administrative Expense accounts will sustain ongoing operations and build on recent reforms, including continued improvements in procurement, local capacity building, innovation, and accountability.

Finally, we cannot lead without the men and women of USAID. Not only do they bring an incredible amount of experience and expertise to critical policy decisions, they are willing to risk their lives in service to their country. In light of that, I ask that you please support the restoration of full Overseas Comparability Pay for USAID personnel who are deployed abroad. In addition to helping the Agency retain highly skilled individuals in a competitive international jobs market, it will ensure fair treatment for those serving in relatively high-risk locations.

Again, I appreciate the opportunity to discuss the President's fiscal year 2017 budget request. It is a great privilege to serve the American people alongside the men and women of AID, and I look forward to working closely with Congress to continue to make USAID a more agile, accountable, and impactful Agency. Thank you again, and I welcome your questions.

PREPARED STATEMENT OF ANN CALVARESI BARR, INSPECTOR GENERAL, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Chairman Graham, Ranking Member Leahy, and members of the subcommittee, I am pleased to provide this written statement on behalf of the Office of Inspector General (OIG) for the U.S. Agency for International Development (USAID). As USAID's recently sworn-in Inspector General, I appreciate this opportunity to share my perspectives on the office and oversight of U.S. foreign assistance.

USAID OFFICE OF INSPECTOR GENERAL OVERSIGHT

USAID OIG promotes economy, efficiency, and effectiveness in U.S. foreign assistance, and works to combat waste, fraud, and abuse across a variety of international settings. We provide oversight of USAID programs and operations, as well as those of the Millennium Challenge Corporation (MCC), the U.S. African Development Foundation (USADF), the Inter-American Foundation (IAF), and the Overseas Private Investment Corporation (OPIC). Together, these agencies apply billions of dollars in U.S. Government resources each year to development and humanitarian assistance objectives in more than 100 countries.

In executing our oversight mandate, OIG conducts and supervises audits and reviews, and makes recommendations to improve the use of Federal resources and the performance of agency programs. OIG investigates allegations of fraud, bribery, and other types of misconduct—work that often leads to criminal and civil charges or administrative action against those who have abused the public trust. Our office raises awareness among development professionals and U.S. Government partners about their responsibilities to help prevent and report misconduct, and keeps agency management and Congress abreast of significant problems in foreign assistance efforts and the progress of remedial actions. To execute these core responsibilities, OIG maintains a staff of dedicated Foreign and Civil Service auditors, analysts, investigators, and Foreign Service Nationals. To ensure independence in performing this work, OIG's human capital, administrative, and information technology systems and staff operate separately from the agencies we oversee. For this purpose, OIG also maintains autonomous channels for reporting on its work and a dedicated legal staff to provide counsel to the Inspector General.

OIG's audit and investigative work reflects the office's broad oversight portfolio and impact on U.S. foreign assistance. Last fiscal year OIG issued 698 financial and performance audits and reviews with more than 1,268 recommendations for improving foreign assistance programs. These audits identified approximately \$290 million in questioned costs and funds to be put to better use. OIG's investigative work led to 10 arrests and 91 administrative actions such as suspensions, debarments, and

terminations of employment. OIG also realized nearly \$85 million in savings and recoveries in fiscal year 2015 as a result of its investigations. In addition, OIG provided 270 fraud awareness briefings and training sessions for close to 8,600 attendees in 36 countries.

These figures stand alongside qualitative gains such as strengthened management practices, adjustments in program design, and new and improved guidance that resulted from OIG audit and investigative work.

As USAID's new Inspector General, I have been struck by the dedication of OIG staff and their strong commitment in discharging oversight and management responsibilities. OIG has repeatedly demonstrated its value to U.S. foreign assistance and I look forward to building upon its record of accomplishment.

In fiscal year 2017, OIG will continue to meet existing mandates and step up to emerging requirements. OIG will work across a broad portfolio of development and humanitarian assistance programs and provide oversight of education, democracy and governance, agriculture, economic growth, and environmental programs, among others. We will balance coverage of these wide-ranging efforts with imperatives to provide intensive oversight of major U.S. Government initiatives that respond to acute humanitarian needs, address international public health concerns, and aid conflict-affected countries that have become key focal points of U.S. foreign policy. USAID OIG will, for example, continue to work to protect the integrity and effectiveness of humanitarian responses to the Syria crisis in coordination with the OIGs for the Departments of State and Defense. OIG will also closely monitor emerging public health threats like the rapid spread of the Zika virus in shaping oversight plans and continue to assess the progress of health programs under the President's Emergency Plan for AIDS Relief and the President's Malaria Initiative. OIG will continue its oversight of other major initiatives, such as Feed the Future, and consider requirements associated with USAID programs to address the causes of migration from Central America. OIG remains committed to providing oversight of assistance to Afghanistan and Pakistan, since this assistance plays a significant role in U.S. engagement with both countries. We will do this while completing mandatory work to promote the integrity of financial and information systems.

As we look to the future, I have begun to personally assess OIG's work, management structure, policies, processes, and systems to ensure the office is best positioned to effectively oversee development assistance programs.

On the horizon are changes to improve OIG's work to ensure it has a meaningful impact on the strategy, policy, and practice of U.S. foreign assistance. This includes building and maintaining a workforce equipped with the right guidance, skills, and resources to evaluate complex development programs, unravel sophisticated fraud schemes, and address new oversight requirements. Other changes will focus on improving OIG operations, and bolstering employee competencies and engagement. As OIG looks to deepen its technical expertise and strengthen its processes, we will prioritize staff development and give OIG's workforce the tools it needs to provide insight into agency activities and operations.

In addition to recruiting and developing top-notch staff, I am committed to making certain that OIG has the right internal policies, processes, and systems in place to meet the highest standards for reliable and meaningful oversight. The quality of our audit and investigative work must be beyond question. This includes maintaining full compliance with standards governing OIG audits and investigations and adopting best practices from across the broader accountability community. As a significant step toward this end, OIG will move to establish an independent quality assurance unit with responsibility for providing assurance across all of OIG's operating units. This unit will continuously review OIG's work, processes, and reporting to make sure we always meet or exceed U.S. Government standards, regardless of where our work is performed or how we communicate about its results.

Positioning OIG to provide oversight as effectively as possible requires us to look outward as well. On this front, I will work to elevate the focus of our work, developing and issuing findings that speak to the progress of major cross-cutting initiatives and address strategic topics of concern to the foreign assistance community at large. We will pair this with an effort to bring together audit and investigative observations and issue products with the benefit of this richer perspective on the range of risks that confront foreign assistance activities.

We will also capitalize on a recently issued USAID memorandum affirming the importance of cooperation with the OIG in the course of our oversight work. After being sworn in as Inspector General, I prioritized communicating a shared understanding of our role and authority and worked with the Administrator to relay this message to agency staff. As a result of this engagement, the Administrator took the opportunity to stress her commitment to a positive working relationship with the OIG, remind agency employees of their obligation to work with our office, and un-

derscore her expectation that all USAID employees will assist the OIG and respond to our office in a timely and transparent way. I am appreciative of the support I received from USAID's senior leadership in working to issue this affirmation of our role.

OIG will leverage this recognition of its mandate and authorities in ensuring that foreign assistance is properly managed and look to produce dividends for taxpayers in the process. OIG's work produces real returns for the Federal Government. For every dollar OIG has spent over the past 5 years, we have returned over 5 dollars in questioned costs, recommendations that funds to be put to better use, and investigative savings and recoveries. In addition to these monetary returns, OIG findings and observations result in important changes to policies and procedures, improvements in internal control, and action against agency or implementer staff who abuse their positions. In a time of resource constraint, USAID OIG offers a solid investment for U.S. taxpayers and serves as a steadfast contributor to effective government.

CHALLENGES TO THE MANAGEMENT AND ADMINISTRATION OF FOREIGN ASSISTANCE

I turn now to briefly highlight several of the top management challenges confronting U.S. foreign assistance efforts.

Work in nonpermissive environments is a leading challenge for foreign assistance agencies. Programs in conflict-affected settings face greater risks than those operating in more stable environments. These risks typically include a more acute threat to the lives of U.S. Government and implementer personnel. In these settings, in addition to limited access to projects and threats to safety, USAID often confronts dishonest and opportunistic actors who look to prey upon the influx of foreign aid. In some cases, instability and weak institutions threaten both the immediate progress and long-term benefit of development efforts. Agency staff and implementing partners alike face severe constraints in monitoring the progress of development and humanitarian assistance activities in these settings. Shortfalls in these activities can lead to health and environmental hazards, such as those we observed in a camp for displaced persons in Iraq. They can also create conditions for pervasive fraud and diversion. OIG, for example, recently documented the large-scale substitution of basic hygiene and food items intended for displaced Syrians with substandard materials. In other cases, we have noted the diversion of humanitarian goods to terrorist groups, and uncovered a case in which a sub-implementer received funds for a range of humanitarian assistance activities that it never performed. Meanwhile, in Afghanistan we found that a lack of access to project sites constrained USAID's ability to observe 74 percent of the projects it funded.

A second challenge is closely related: the collection, use, and reporting of unreliable data in connection with development programs. OIG has identified poor data quality as a concern across a spectrum of USAID's programs, irrespective of geographic location or functional area. Of 196 performance audit and survey reports OIG published from fiscal year 2013 to fiscal year 2015, about 4 in 10 identified problems with data quality or sufficiency. OIG has repeatedly identified errors and overstatements, gaps in data collection and reporting, and problems in the consistency with which underlying calculations are made. Recent OIG work on USAID's Ebola response activities, for example, found that the Office of Foreign Disaster Assistance lacked adequate performance measures given the nature of the Ebola crisis. OIG identifies data quality problems in more traditional development programs as well, as indicated in recent reports on justice system reform efforts, activities under the Feed the Future Initiative, and education programs. Without reliable data that meaningfully speaks to program results, USAID cannot effectively manage its programs or plan new ones. Moreover, absent reliable information on program progress, policymakers are unable to make fully informed decisions on the course of U.S. foreign assistance.

USAID's long-term goal is to transfer ownership of its development initiatives so that the progress and results from its projects continue. To achieve this end, USAID is responsible for building sustainability into its plans and activities. Notwithstanding this aim, sustainability remains a major management challenge and OIG has often found that USAID planning for the end of projects has been inadequate. About a quarter of performance audit reports OIG issued from fiscal year 2013 through fiscal year 2015 contained recommendations to do more to ensure sustainability. In one case, we noted an HIV/AIDS project lacked a formal transition plan 3 years after the project began, threatening its continuation. In other cases, OIG has found that a lack of host country support, including the limited capacity of some USAID partners, reduced the likelihood that development goals could be realized and sustained. Recent OIG reports on programs in Afghanistan and Armenia, for

example, noted that local partners lacked the ability to effectively support or continue USAID programs.

The capacity of host country governments and local implementers can indeed determine the success or failure of development efforts. In recognition of the need for technical capacity within host country systems, USAID's Local Solutions Initiative aims to provide direct funding to host governments and to local private and non-profit entities. Yet, USAID's risk mitigation efforts in association with this initiative have not been consistent and this constitutes another significant management challenge for the agency as a result. OIG audit and investigative work over the years has provided evidence that agency and partner controls are unable to effectively safeguard funds in many of these cases. The U.S. Government has channeled a sizable share of assistance to Afghanistan and Pakistan through local systems, for example, but not always demonstrated sufficient accountability for these funds. In fiscal year 2015, we issued a report on USAID's controls over direct assistance in Afghanistan, identifying shortcomings in both its oversight and in how it communicated about employees' responsibilities and the expectations placed upon Afghan implementers. In Pakistan, a direct assistance program to support municipal services in Khyber Pakhtunkhwa (KP) fell short in part because the mission failed to effectively work with the grantee, KP's Planning and Development Department, which lacked adequate capacity to implement the program on its own.

Notwithstanding the emphasis on selectivity in the 2010 Presidential Policy Directive on Global Development, USAID undertakes its core development work while also helping to advance numerous U.S. Government priorities and initiatives. Demands from across the U.S. Government and from within USAID have made it difficult for the agency to focus and have detracted from its central mission. USAID's lack of focus stands as an additional management challenge, as recent audit work has pointed to budget considerations, new initiatives, and program-specific funding that all drive the selection of development objectives. In OIG's survey of challenges related to the Arab Spring, we noted that a majority of the respondents to our survey had seen an increase in State Department influence over USAID programs. While USAID had reported taking action to reduce the number of program areas from 785 to 461 over the past 5 years and revise planning guidance, it is too early to tell whether these changes will bring sufficient focus to Agency programs.

Two additional challenges facing USAID pertain to the management of its human resources and decentralized management of information technology (IT) and information security. Audit work last year continued to indicate that USAID faces a shortage of experienced, highly skilled personnel familiar with USAID guidelines, standards, and processes. Staff retained under the Development Leadership Initiative pointed to irrelevant training, poor support in preparation for overseas assignments, and being assigned roles that were less than those of other employees as problems facing a major hiring effort in recent years. We also found that staffing shortages have hampered program implementation and oversight in many locations where USAID operates. On the IT front, OIG has noted the lack of an effective risk management program as well as a substantial number of open recommendations from prior IT-related audits. OIG deems this to indicate a significant deficiency in the security of USAID-wide information systems, including financial systems. An audit relating to the agency's privacy program for information technology identified new weaknesses and risks related to potential noncompliance with major privacy laws, including the Privacy Act of 1974, as amended.

Another noteworthy challenge relates to the oversight arrangement for OPIC. USAID OIG currently provides limited oversight of OPIC, but does not have the authorities to provide the full scope of oversight envisioned in the Inspector General Act. To help address such oversight limitations, this subcommittee has directed OPIC to enter into an annual agreement with OIG for oversight services. However, this agreement is routinely delayed. The result is oversight that is subject to negotiation, limitations, and delays—an unacceptable arrangement. In the coming year, I welcome engagement with OPIC, the Office of Management and Budget, Congress, and other stakeholders on this matter with the aim of establishing a more permanent solution for OPIC oversight that aligns with the Inspector General Act, as amended, and reflects community best practices.

On behalf of OIG, I thank you for this opportunity to address the subcommittee. I look forward to continuing to work with you to ensure the effective design and delivery of U.S. foreign assistance and to protect the funds supporting development and humanitarian assistance efforts.

The agencies we oversee have important missions and make significant contributions worldwide to reduce poverty, promote economic growth, foster democratic governance, recover from disasters, and increase the quality of education and healthcare, among other areas. At the same time, in many parts of the world, extre-

mism, instability, and open conflict make the jobs of development professionals working to achieve these goals that much harder. Meeting these and other challenges requires serious commitment; a thoughtful, informed approach; and effective collaboration to curb risks and change course when necessary. USAID OIG will continue to be an independent voice and steadfast partner in helping chart improvements to U.S. foreign assistance, and I look forward to working with you in the years to come to ensure that we provide maximum value to decision-makers, stakeholders, and, above all, the American people.

Senator GRAHAM. Senator Leahy, would you like to make a statement?

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Just this, Mr. Chairman. I also welcome Ms. Smith here. I have talked with the Administrator, and I appreciate that very much.

I am sorry that Senator Cruz and others held you up for so long, but at least everybody else in the Senate voted for you, and I am glad you are finally here.

I think USAID has to adapt to a rapidly changing world, but so do we in the Congress. I think USAID's core purpose should be sustainable development, and I know from our conversations, you believe that, too.

I think that means helping local organizations and institutions solve their own problems. Too often in the past, USAID has treated recipients of USAID funds as instruments of what USAID wants to do. I think when we do that we encourage dependency, the opposite of sustainable development. USAID funds programs to meet the needs of people overseas, electricity, water, sanitation, and education, in countries where they do not even collect taxes from the elites of those countries.

This subcommittee has probably been as strong of a defender of USAID as any in the Senate, but USAID has become too bureaucratic, bogged down by burdensome reporting requirements, stymied by applications for funding that only an expert who could decipher hieroglyphics can figure out. A lot of that is government-wide, not just USAID.

We want USAID to be all it can be. I have a great deal of faith in you, and I say that as one who has watched this for years.

USAID can be the face of a wonderful, generous Nation. Ms. Smith, I am glad you are the face that the United States is going to show.

Thank you, Mr. Chairman.

Ms. SMITH. Thank you.

LIBYA, YEMEN, AND SYRIA

Senator GRAHAM. Thank you.

I will start out with some questions. Your budget has \$20.5 million for Libya, and I think \$55.9 million for Yemen. Is that correct?

Ms. SMITH. Yes, sir.

Senator GRAHAM. How do you operate in Libya and Yemen?

Ms. SMITH. Right now, our operations in Libya are quite constrained. We are supporting a very few local partners. What we have done is put money into the budget so that we are ready and able to begin responding as openings widen.

In Yemen, the bulk of our assistance at this point is humanitarian assistance. We have provided I believe in the range of \$180 million to date. Again there, unfortunately, we had to suspend our programs. We had very good programs in livelihoods and other activities in support of the transition. We hope to be poised again to respond in those areas as circumstances allow.

Senator GRAHAM. Are you on the ground in Yemen?

Ms. SMITH. No, we are not physically present in Yemen.

Senator GRAHAM. What kind of footprint do you have in Libya?

Ms. SMITH. We have partners in Libya, but our people are off-shore.

Senator GRAHAM. Okay. What about Syria?

Ms. SMITH. In Syria, we have partners operating in Syria. We do not have USAID personnel inside Syria.

GENDER PROGRAMS

Senator GRAHAM. So I want to associate myself with Senator Mikulski's view of this account. This is soft power, not hard power, but you are just going to have endless work if you cannot provide stability.

I think you have about \$1 billion, I believe it is, to help women in Muslim countries. Is that correct?

Ms. SMITH. I will check on that exact—

Senator GRAHAM. Whatever the number, I think it is \$1.3 billion for gender programs.

Ms. SMITH. Yes, gender programs.

Senator GRAHAM. Could you inform the American taxpayer through us why it is important for us to invest in such programs? What do we get for it?

Ms. SMITH. I think we get a great deal for it. We have learned through our development experience that when women are empowered, when they have access to and, indeed, in some cases control over finances, we get a better return. I think we all know, as you have spoken to very often, when girls are educated, we get a better outcome in terms of stability, but also economic growth.

In our gender programming, we are doing several things. We are trying to ensure that women have increased access to the things they need to control their lives and better their families and communities. That is access to finance. That is access to their rights.

We are doing an increasing amount of work that I think is very effective—unfortunately, it needs to be done—on gender-based violence, where we have seen a considerable uptick around the world.

Senator GRAHAM. What is your best success story?

Ms. SMITH. On women, I would say it is access to finance and work-force training for women that has enabled them to do two things. One is to send their kids to school and prevent child marriage; and second, to increase the incomes of families across-the-board.

FUTURE ASSISTANCE REQUIREMENTS

Senator GRAHAM. Okay. When we look at Libya, Yemen, and Syria down the road, do you believe your role will increase or decrease with these countries, if we can ever provide stability?

Ms. SMITH. Well, it is, certainly, my hope that USAID's role will increase for two reasons. I think it will be necessary to have USAID there as transitions begin and are maintained. But I think second, we can bring a great deal of knowledge and experience to the equation. So I think in all those cases, we will be involved.

Senator GRAHAM. I am just trying to get the subcommittee prepared for where I think the ball is going. Hopefully, one day the war in Syria ends. Hopefully, we can bring stability to Libya and Yemen. And I think the follow-on efforts will be a multiagency effort. But you will be in many ways in the lead.

So when sequestration was in effect in 2011 or 2012, whenever it kicked in, how has the world deteriorated, if it has deteriorated, in the last 4 to 5 years, in the areas where you need to operate?

Ms. SMITH. I think we have seen humanitarian crises with much sharper edges than we have seen in the past. I think we have also seen very fragile states struggle to withstand external shocks.

Senator GRAHAM. Would you say Libya is a failed state?

Ms. SMITH. I would not say it is a failed state. I would say it is a very, very fragile state.

Senator GRAHAM. Okay, what about Syria?

Ms. SMITH. Syria, I would say the same, exceedingly fragile. We keep needing new orders of definition.

Senator GRAHAM. What about Yemen?

Ms. SMITH. I would put all three in the same category.

Senator GRAHAM. Okay. Can you operate effectively in Iraq?

Ms. SMITH. We do have some presence in Iraq. Our mobility is obviously constrained by security conditions.

Senator GRAHAM. How much money do you spend on security now versus 4 or 5 years ago?

Ms. SMITH. It has increased. Much of our security is covered by the State Department's side of the budget, because our people in the field are under chief of mission authority.

Senator GRAHAM. So that really—

Ms. SMITH. But I would wager that it has increased.

Senator GRAHAM. So what can this subcommittee expect in terms of your budget request in the future, given the nature of the region? Do you expect to be asking for more money?

Ms. SMITH. In future years?

Senator GRAHAM. Yes.

Ms. SMITH. I think it is quite possible.

Senator GRAHAM. You do not have a plan for the next 3 or 4 years?

Ms. SMITH. USAID does, in fact, a great deal of planning for the next few years, including—

Senator GRAHAM. What is your plan for Syria?

Ms. SMITH [continuing]. On some of these transitions and projections.

Senator GRAHAM. So what you going to do in Syria in the next 3 or 4 years, assuming the war stops?

Ms. SMITH. I think, sir, it depends where the openings are. What we have learned in these transitions is that one of the things that often happens is we go too wide and too big in the beginning and try to do everything and take an extremely fragile state to a functioning, economically thriving democracy in a very short time.

Senator GRAHAM. What kind of effect does the war in Syria have on our assistance programs for refugees and humanitarian aid in the region as a whole?

Ms. SMITH. It has been a very significant portion of that overall budget. Very significant.

Senator GRAHAM. Is it something we were expecting 4 or 5 years ago?

Ms. SMITH. I do not know that we were expecting this one, but I think USAID as an agency, in my experience, looks out ahead with the assumption that it is going to need to plan for multiple emergencies. That has been the pattern for the last 10 or 12 years.

Senator GRAHAM. Well, this is the fifth anniversary of the Syrian war.

Ms. SMITH. Yes.

Senator GRAHAM. What kind of a toll has it had on your agency's budget, if it all?

Ms. SMITH. I think significant, if you look at our humanitarian assistance budget. Collectively, USAID and State have spent \$5 billion over the last several years.

Senator GRAHAM. So when you look out the next 5 years, can you see similar pressures on your budget, given the region?

Ms. SMITH. Potentially. I, like you, am hopeful and believe strongly that we need to get to the point in all three of these countries and others where we have openings for peace and we can start on the path to stabilization.

Senator GRAHAM. The point I am trying to make is, are we prepared for what we know is going to follow, which is three failed states trying to be stabilized? Do we have a plan? Do we have the right budget number to deal with what we know is going to happen in the future?

Ms. SMITH. Sir, I can speak to the fiscal year 2017 request.

Senator GRAHAM. Okay, thank you.

Senator Mikulski.

Senator MIKULSKI. Thank you.

Senator Leahy, is that okay with you? I have to get to Intel.

First of all, I want to welcome you, Ms. Smith. We think that you come with an incredible background. You focused a lot on disaster assistance and yet so much of what is going on in the world does seem to be a disaster. So we look forward to a steady hand, good leadership, and an eye also to the management.

My principles, as Vice Chair of the Appropriations Committee, is number one, do no harm. Let's not have rollbacks, shovebacks, or whatever. Number two, let's capitalize existing programs, so that they work well, and we just don't also depend on Overseas Contingency Operations (OCO) funding. And number three, our reforms should be targeted.

So for as much as we so value, and particularly—as I said, Maryland is the home to NGOs, seven faith-based ones led by Catholic Relief, Lutheran Services, the American Hindu Association, but also the great Johns Hopkins School of Public Health, the Bloomberg School, JHSPH.

But you know, wherever there is a good program, there are even fantastic people running the program. I am very worried about USAID workers, USAID contractors, and the NGOs.

PROTECTION OF USAID PERSONNEL

Could you share with us really what you see as USAID's role or USAID getting the State Department and others to focus on working to ensure the security of our people as they work under such very tough and often dangerous circumstances.

Ms. SMITH. Thank you, Senator, for your questions and also for your mention of Anita, who was killed shortly before I—

Senator MIKULSKI. And I am going to say something about her.

Ms. SMITH. Okay. We will come back to that.

We and the State Department take the security of our personnel and our partners very seriously. As has been pointed out, they are very often operating in more dangerous circumstances than in the past.

Our personnel overseas operate under Chief of Mission authority, which means that in many cases for their safety, their mobility is restricted. They often travel in armored vehicles, which are also supported by our budget. They live in reinforced housing. There are a number of systems on the ground to track people.

Senator MIKULSKI. But the NGOs do not travel that way. The contractors do not travel that way.

Ms. SMITH. Many of the NGOs do not. We have partner security liaison offices, which we work out with our partners in the field. We ask them in the most difficult circumstances to have risk analyses and risk mitigation plans, as well as plans for shutdown should security conditions require that they do so.

Senator MIKULSKI. Well, I would like and I really wonder if the subcommittee would support the request, can we get a sense of your strategic plan for the protection of personnel, both USAID workers, USAID contractors, and the NGOs?

Ms. SMITH. We would be happy to provide that.

[The information follows:]

Although USAID's NGO partners do not fall under Chief of Mission authority, we have long recognized the importance of providing non-prescriptive support to those charged with delivering programs on USAID's behalf.

The Agency's Security Office's Critical and Emerging Threat Support (CETS) branch examines ways to provide operational training, proactive delivery of security information, and in-country support to our partners. CETS teams travel to countries at the request of Missions to provide security support to implementing partners. Over the past 12 months the team has deployed to El Salvador, Honduras, Dominican Republic, Pakistan, and Sri Lanka and the Maldives.

In certain high-risk locations, USAID Missions establish Partner Liaison Security Officers (PLSOs), which provide security support to our overseas implementing partners. This assistance includes the release of timely information on critical security and safety issues by phone, email, SMS, and in-person communication. PLSO positions also provide implementing partners an avenue for reporting security incidents and other critical information. Currently there are PLSOs in Afghanistan, Pakistan, Honduras and Nigeria, and the Agency is in the process of establishing them at the Kenya, East Africa, and El Salvador Missions. The Agency actively encourages the establishment of a PLSO at all high-threat Missions.

The Agency also develops and delivers trainings and information to support our implementing partners. To date, more than 600 people deployed to more than 12 countries have attended the Security Awareness for Everyone (SAFE) training, a multi-day training designed to provide our implementing partners with a level of area-specific security training commensurate with what is provided to Chief of Mission personnel deploying to hostile areas. The Agency also developed five training DVDs (*Operations Security*, *Information Integrity*, *Weapons Safety and Risk Management*, *Tactical Driving*, and *Staff Care*) that are available to the Agency's Implementing Partners to provide baseline information, or reinforce the training they re-

ceived at SAFE. To date approximately 400 sets have been distributed to USAID's implementing partners.

A number of High Threat/High Risk Missions have made provisions regarding the security of awardees and grantees. This includes the mandatory submission of demobilization plans so that awardees can quickly draw down in the event of deteriorating security circumstances. Additionally, when reviewing security plans of potential awardees/grantees, Contracting Officers may request that Partner Liaison Security Officers review proposed security budgets to ensure the budgets realistically reflect environmental threats.

ANITA DATAR

Senator MIKULSKI. And then we have Anita Datar, who was killed in Mali in November. Do you have plans to commemorate her in some way?

Ms. SMITH. I think that we will. Those plans are not final.

But as you rightly point out, we have USAID personnel, but also we have partners who in most cases are one and the same. I mean, our NGO partners, our contractor partners, we are all working in the same theaters, on the same issues.

I think there is a very strong view among the staff, and it is one that I strongly support, that we should find a way to honor Anita and others from among our NGO contractor communities. So I think we will.

Senator MIKULSKI. Well, I will look forward to recommendations by May 1.

Ms. SMITH. Absolutely. I would be delighted to provide them.

[The information follows:]

USAID will sponsor a commemorative ceremony at the U.S. Institute of Peace on June 7, 2016 with Palladium, the company with whom Ms. Datar worked, in honor of her life and service. Every year, the USAID Employee Memorial program recognizes USAID employees who have died in the line of duty while executing Agency programs. The Agency plans to provide formal recognition of implementing partner staff casualties with the addition of a new plaque during the 2016 memorial program. The Agency expects the annual Employee Memorial ceremony and the unveiling of the implementing partner commemoration to be held the week of June 7, 2016. The Agency is also reviewing existing fellowship placement programs to determine how best to pay tribute to the fallen staff of implementing partners.

CHILDREN

Senator MIKULSKI. My last question is this, children. You know my background as a social worker, so I do not want it to sound like a gushy question here, but I really worry about the children of the world.

Children being recruited as child soldiers. In terms of Islamic State of Iraq and the Levant (ISIL), boys being recruited as terrorists or encouraged to do the most vile and repugnant and gruesome things. Girls, do we need to go over Boko Haram? Children in Central America, victims of gangs, victims of human trafficking. Children on the move to get to our country to escape not only economic deprivation but really also violence.

As you look across this array of programs, because we tend to think of programs and stovepipes, has the agency thought about really—I know I sound like “We Are the World” and we are going to break into some kind of song here, but there is nothing to sing about—really, a comprehensive approach.

Senator Graham, one-third of the children in Syria were born since the war began, so what is their life? What do they think

about themselves, their future? And what do they think about us? Are we just going through generations of us being the evil empire?

Could you share with us your thoughts on that, and plans on that?

Ms. SMITH. Yes. We do have a strategy for Children in Adversity.

I worked for USAID during the Clinton administration. As I look at it now, where I think the Agency has made a tremendous improvement is something you mentioned. It is getting away from stovepiping and toward integration.

Part of what that strategy enables us to do is look across the full spectrum of things that we do, at children and their lives, for example, whether that is in girls' education; in protection where we have provided protection to hundreds of thousands of kids in Syria; to child marriage; or interventions in health.

So I think the challenge, as we have done in other areas of our work, on nutrition, on water, is looking across the whole spectrum of what we do, where are children involved, and how do we link those programs so that we have greater impact.

I think that is something the Agency is poised to do better in and more of, and it is one of the things that we absolutely should look at.

Senator MIKULSKI. Is that one of your priorities?

Ms. SMITH. I would say, yes, with a slight qualification. In all honesty, I was confirmed in December. I have 10 months. So I think what I can do is work with a very capable team that works on these issues and pull them together to see if we can align those things more fulsomely.

Senator MIKULSKI. Well, my time is up, and the Chairman and the Vice Chairman have been very generous.

I would hope that you would have on your senior executive team, when everything comes before you, decisions are being made, somebody saying, what about the children? Because this is one of the ways that we shape the attitudes toward our country, toward their country, to our country, to the world. If we do not focus on this, I think we are heading for a future disaster.

Ms. SMITH. I think you are quite right.

Senator MIKULSKI. Thank you.

Senator GRAHAM. Senator Blunt.

CHILDREN IN ADVERSITY

Senator BLUNT. Thank you, Chairman.

Thank you, Senator Mikulski. This is the topic I wanted to talk about as well.

I serve with Senator Klobuchar as Co-Chairman of the Congressional Coalition on Adoption. In that role, and others, she and I and three House Members, Congresswoman Granger, Congresswoman Bass, and Congressman Franks, sent you a letter on this topic a month ago, February 16, on Children in Adversity. We asked seven questions.

I read them again to figure out if they were so hard that they could not be answered in a month. Two of them were yes and no, so that would have been pretty easy. So five of them, a little more complicated than yes and no.

But on this topic that Senator Mikulski brought up, Congress passed in 2005, the Children in Adversity legislation to come up with an action plan and implement it.

You made a good point. You were not there. You just started this job, so I am going to be asking you to do what you can to make a difference here.

They finally had come up with a plan in 2012. Finally came up with the six countries they would try the plan out in 2015. The legislation has to be fully implemented in fiscal year 2017. So you are going to be there for 10 months, which is actually about half the time now we have to implement the entire plan of Children in Adversity.

I just wanted to visit with you a little bit about that. I do not know why it took 10 years to come up with six countries. I hope we are really prioritizing implementing this. You already addressed the challenge that the children in so many places have.

What are the six countries that you have decided would be the place to implement this?

Ms. SMITH. I can get back to you with that specifically.

Senator BLUNT. Does anyone behind you know what they are?

So it took 10 years to come up with the six countries and nobody here knows—does anybody know any of them? Two of them?

Ms. SMITH. May I address—

Senator BLUNT. Sure. I am concerned that it took 10 years to come up with the six—

Ms. SMITH. No, I—

Senator BLUNT [continuing]. And nobody knows what two of them are or one of them. Surely, somebody—go ahead. Go ahead and talk about what we are going to do to get this implemented between now and September 2017.

Ms. SMITH. Yes. Look, I cannot speak to why it took so long.

Senator BLUNT. Right.

Ms. SMITH. I can tell you there are a number of strategies that I have seen adopted by the Agency over the years that were adopted with a handful of countries at the front end, five or six. There are probably 10 or 15 of those, and I apologize that I cannot name the six for this.

But what I have seen happen that is positive, and what I think we can do here—and I would be happy to put this on a fast track given your observations about how long it has taken—is if you look, for example, at gender-based violence, where the Agency developed a strategy, proceeded to train people across the Agency to integrate gender-based violence programming into mission plans around the world, to bring it into informing even our humanitarian assistance work, so there is increased emphasis on protection of women in situations of conflict.

So I think the Agency has the muscles and the capability to integrate plans like this. What I will do, sir—again, I acknowledge your comments about how long this has taken—is take a look at this one specifically, with an eye to seeing how we can do the same thing and do it as quickly as possible.

I am happy to give you the countries, if you would like them.

Senator BLUNT. Go ahead.

Ms. SMITH. Colombia, Uganda, Rwanda, Armenia, Moldova, and Cambodia are the countries.

Senator BLUNT. And you know, they are scattered around in ways that you can try this in a number of different areas and see what works.

Ms. SMITH. Exactly.

Senator BLUNT. In fact, you are the one who mentioned Children in Adversity in response to Senator Mikulski's question about what are we doing for kids, so hopefully the implementation there will work the way it should.

In the President's budget request this year, the Displaced and Vulnerable Children Fund at USAID is funded below enacted levels. This would probably be the principal fund for at least the action plan for Children in Adversity.

Are you going to be able to fully implement the plan at the funding level that you have requested?

Ms. SMITH. I think, sir, looking at these countries and considering the ways we have done this in other areas where we have tried to layer in strategies such as this, I think there are multiple streams of funding that we can potentially draw upon—education, health, gender, women and girls. So I think we can take a look across-the-board.

Senator BLUNT. All right. I can submit my seven questions for the record as well, but you all have this letter, so you have had it a month. If you could look at those seven questions and respond to them, it would be very helpful.

Ms. SMITH. Will do.

[CLERK'S NOTE: See Ms. Smith's responses to Senator Blunt's questions in the attachment to the USAID letter dated March 9, 2016 that follows the USAID letter on the next page.]

Senator BLUNT. Thank you, Chairman.

Ms. SMITH. Absolutely will do.

[The USAID letter responding to Senator Blunt dated and delivered March 17, 2016 follows:]



MAR 17 2016

The Honorable Roy Blunt
U.S. Senate
Washington, D.C. 20510

Dear Senator Blunt:

Thank you for your questions at my budget hearing on March 15 about USAID's work on children in adversity.

During the hearing, you mentioned your February 16 letter concerning USAID's implementation of the Action Plan on Children in Adversity (APCA). I wanted to make sure you had a copy of our March 9 response to your letter, which provides answers to the specific questions you raised.

We plan to issue our Annual Report on APCA implementation by April 15. I would appreciate the opportunity to meet with you in April to discuss the status of the Action Plan and other issues of mutual interest.

We are grateful for your continued support for programs to address the needs of children in adversity around the world.

Sincerely,

A handwritten signature in black ink that reads 'Gayle E. Smith'. The signature is fluid and cursive, with the first name 'Gayle' being the most prominent part.

Gayle E. Smith

Attachment:
March 9 Response Letter



MAR 09 2016

The Honorable Roy Blunt
U.S. Senate
Washington, DC 20510

Dear Senator Blunt:

Thank you for your February 16, 2016 letter concerning USAID implementation of the Action Plan on Children in Adversity (APCA). USAID believes that child development, protection and welfare should be a cornerstone of our broader diplomatic and development agenda. Accordingly, we are grateful for continued Congressional support for programs to address the needs of children in adversity around the world.

As the Agency charged with coordination of the Action Plan, USAID is dedicated to the realization of APCA's goal to achieve a world in which all children grow up within protective family care and free from deprivation, exploitation and hunger. To this end, USAID is committed to using the Displaced Children and Orphans Fund (DCOF) and other Agency programming to support the core principles of APCA to build strong beginnings, put family care first, and protect children from violence, exploitation, abuse and neglect.

In implementing APCA as a whole-of-government response, USAID works across multiple offices in five Federal Departments, including Health and Human Services, State, Labor, Defense and Agriculture, as well as Peace Corps, to respond to the global needs of children facing adversity. USAID and its interagency partners work collaboratively to integrate internationally recognized, evidence-based good practices into all USG international assistance initiatives in the best interests of the child.

In reply to your specific request for information, please find attached responses to the questions you raised. USAID plans to issue our Annual Report on APCA implementation by April 15. The Annual report will provide additional information on APCA implementation, including activities undertaken by other U.S. Government Agencies working on APCA as noted above. Please do not hesitate to let us know if you need further information or clarification on any parts of this response.

Sincerely,

T. Charles Cooper
Assistant Administrator
Bureau for Legislative and Public Affairs

U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20523
www.usaid.gov

[The attachment with the responses to Senator Roy Blunt's questions follows:]

ATTACHED RESPONSES

QUESTIONS SUBMITTED TO HON. GAYLE E. SMITH

QUESTIONS SUBMITTED BY SENATOR ROY BLUNT

Question. Please provide an overview of the status of APCA goals and implementation in each of the six priority countries.

Answer. Cambodia: In January 2016, the Cambodia National Council for Children (CNCC) launched a national plan to promote child development from 2016–2018. The plan promotes child protection and welfare in line with the United Nations Convention on the Rights of the Child (CRC), which was ratified by the Royal Government of Cambodia in 1992. One of CNCC's main functions is to monitor Cambodia's implementation of the CRC. The Royal Government of Cambodia is also expected to launch its Action Plan on Violence against Children in the spring of 2016. This coordinated national response results from the findings of the Violence Against Children Survey (VACS) administered by the U.S. Centers for Disease Control (CDC), the Government, the United Nations Children's Emergency Fund (UNICEF) and partners in 2013 (APCA Objective 3). Results were released in 2014, marking the first time Cambodia had national statistics on sexual, physical, and emotional violence against children.

U.S. Government assistance in Cambodia works at both policy and operational levels to build the systems and capacities needed to support and enable families to care for their children; prevent unnecessary family-child separation; and promote appropriate, protective and permanent family care in order to reduce the numbers of children living in orphanages and other residential care institutions. To achieve these ends (APCA Objective 2 and 3), APCA programs in Cambodia aim to: increase access to quality child protection and social welfare services; link separated children or children at risk of separation to family reunification, community reintegration and other alternatives to institutionalization; and support targeted interventions to improve the delivery of child protection services, including training to enhance knowledge and skills in child welfare, and the development of systems and policies to strengthen child protection approaches. APCA programs will ultimately enable government officials at national and subnational level, as well as nongovernmental partners, to prevent maltreatment of children and help transition children into family and community-based care.

As a result of USAID/DCOF support, vulnerable children and their families in five target provinces have access to specialized, high quality child protection and social welfare services. Specifically, this support benefited a total of 5,618 children (44 percent for girls), 2,225 youth and 3,379 families during the first three quarters of 2015. Separated children in these provinces are thus able to access services for family reunification, community reintegration and alternatives to institutionalization, as well as receive quality care. Targeting children living outside of protective care, programs also supported a total of 860 children (including 319 girls) with case management services; this number includes 305 children successfully placed in family based-care.

In addition, USAID is working to improve children's development outcomes in Cambodia by improving diets and feeding practices within the first 1,000 days of their lives and by reducing the prevalence of diarrhea and parasitic infections among this target group (APCA Objective 1). USAID-funded programs enable health and nutrition professionals to educate caregivers about hygiene, sanitation, and positive parenting practices to foster healthy social and emotional development and promote secure attachment to a primary caregiver. USAID is also working with the private sector to develop and market sanitation, hygiene, and household water-treatment products such as water filters and latrines. Through these efforts, the U.S. Government is reaching approximately 30,000 Cambodian mothers and children living in households below the poverty line. These interventions are contributing to reductions in undernutrition and micronutrient deficiency among mothers and children under five and improvement in children's growth and developmental outcomes.

Uganda: Uganda's National Development Plan (NDPII) prioritizes human development—encompassing health, education, child protection and social protection—as one of its key outcome areas. To advance the national plan and underscore government commitment to the well-being of children, the Government of Uganda (GOU) convened a national-level State of the Ugandan Child Forum in October 2015. To prepare for this forum, the U.S. Government supported development of the State of the Ugandan Child Action Plan, which contains priority activities, measurable actions, indicators and targets across the human development sphere. The forum

helped catalyze country and external commitment and action to address agreed-upon critical needs in education, health, protection, and child development, particularly girl children. Regional level meetings are currently underway to promote local input and facilitate country wide endorsement of the plan.

USAID/DCOF's implementing partners are working in 12 districts to strengthen government capacities to inspect and monitor residential child care institutions, to prevent unnecessary family separation, to reunify and place children in family care, and to strengthen families' capacities to provide adequate care for their children (APCA Objective 2). Programs have facilitated the establishment of two district-level Alternative Care Panels to inspect institutions using government-endorsed inspection tools. Last year, panel members inspected 58 institutions and established case files for over 1,500 children to track and prepare them for family placements. USAID/DCOF programs also catalyzed the establishment of community savings groups and supported development of a cadre of country trainers to provide psychosocial support and training in positive parenting.

USAID's Office of HIV/AIDS (OHA), with funding from the President's Emergency Plan for AIDS Relief (PEPFAR), complements the above work by strengthening child welfare and protection structures and services at district and sub district levels (APCA Objective 3). To date, programs increased staffing of social welfare positions from 41 percent to 57 percent in district and subcounty staffing across 80 of Uganda's 112 districts, achieved through collaboration with district governments. Additionally, programs helped train thousands of social service workers, parasocial workers, and volunteers responsible for social welfare services at the parish level. Parasocial workers act as child protection advocates in their communities, sharing guidance on alternative discipline techniques, advocating for girls education and against early marriage, and referring children to the appropriate service. As a result of this assistance, families and children have increased awareness of their rights and know where to get help and how to report child protection concerns. USAID programs also helped strengthen community child welfare committees and trained key district officials, resulting in an increased ability of government to coordinate social services. These committees have furthered partnerships between different development sectors within local government and between government and civil society to provide a more comprehensive response to child welfare and protection needs.

Rwanda: The Government of Rwanda (GOR) published a Plan of Action for Orphans and Vulnerable Children in 2007, refocusing the plan in 2009 to address the country's most vulnerable children. The GOR is actively transforming Rwanda's current alternative care model into one that prioritizes family-based care. The new system provides assistance to families at-risk of separation from their children and encourages communities to support children living outside of families through adoption or fostering—as opposed to institutional care. In 2012, the GOR issued a Cabinet Brief, a Strategy for National Child Care Reform, with the goals of transforming the child care and protection system to one that is family-based and that encourages all Rwandans to take responsibility for vulnerable children.

USAID/DCOF programs have successfully integrated a total of 955 children and young adults into family and community based care (APCA Objective 2). Programs are also currently tracing an additional 1,222 children who were unilaterally sent home by residential institutions in order to assess their circumstances and provide appropriate assistance. USAID/DCOF further supports targeted programming to build the capacity of the National Council for Children, an entity specifically created to provide the nexus for inter-ministerial coordination, as well as operational research on children's issues. These programs help identify the most effective case management approach to reintegrating institutional children into family care.

PEPFAR/USAID-funded assistance has reached 79,579 orphans and vulnerable children (OVC) with a number of services, including education and vocational training, healthcare, psychosocial support, shelter and care, and protection (APCA Objective 1 and 3). PEPFAR/USAID programs promote a family-centered and case management approach to strengthen families and improve child wellbeing. Specific activities include savings groups, food security, child protection, parenting skills, community-based health insurance groups, water and sanitation (WASH), and early child development activities. In addition, programs invest in civil society organizational capacity building for sustainability. Communities are involved in all aspects of OVC programming, including identification of children, selection of volunteers and service delivery. CDC, with funding from PEPFAR, is also working with the Government of Rwanda on its first Violence Against Children Survey (VACS).

Moldova: Illustrating its steady commitment to advancing national reforms to promote child welfare, Moldova's Strategy on Child and Family Protection for 2014–2020, approved in 2013, aims to build the conditions necessary for raising and educating children in a family environment; prevent and eliminate child abuse, neglect

and exploitation and promote non-violent practices in raising and educating children; and harmonize family life and professional responsibilities to ensure appropriate child development. To support these broad range of issues, the government has also developed strategies on children with disabilities, children in conflict with the law, child trafficking, children and family issues, and children from minority groups.

While Moldova's Early Child Development Index score for 3–5 year olds is reasonably high at 84 percent, only 36 percent of children younger than 6 months are exclusively breastfed and 11 percent of children in the poorest quintile are stunted. APCA partners have therefore engaged in a "strong beginnings" intervention (APCA Objective 1) that includes a package of simple child development messages and interactive activities for household caregivers. The package emphasizes the important role parents and other family members play in enhancing positive development outcomes and offers culturally relevant ways of ensuring responsive care and stimulation during a child's first 1,000 days of life. The aim is to make progress on age/stage-related developmental milestones and on indicators of physical growth, including stunting.

USAID/DCOF activities in Moldova aim to strengthen family care for 100,000 children who lack adequate family care, prevent 4,000 children from unnecessary family separation, and enable 3,000 children outside family care to receive such care (APCA Objective 2). USAID is also supporting CDC implementation of a VACS, which will provide much needed evidence to address APCA Objective 3.

Armenia: USAID/DCOF programs are assisting the Government of Armenia to reform its national child care system by strengthening community-based family support services, establishing a national system for alternative family-based care, and supporting the establishment of a legal and regulatory framework to support child-care reform (APCA Objective 2). Activities have enabled the Ministry of Labor and Social Affairs to revise its national alternative childcare framework; contributed to the development of a legal framework to improve adoption practices and foster care; supported the development of normative legislation on inclusive education in order to prevent the unnecessary institutionalization of children with disabilities and enable children to attend mainstream schools; and assessed children in targeted residential care facilities to begin preparations with families for child reunification and reintegration.

USAID named Armenia as a priority country in late 2015, and is now working with the Government of Armenia to eliminate the establishment of new residential institutions, eliminate the admission of new children to residential care institutions targeted for transformation or closure, and eliminate the transfer of deinstitutionalized children to other residential care facilities unless it is a last resort (APCA Objective 2). The Government has committed to take required policy actions to ensure the newly established and/or expanded alternative community-based services are fully funded from its national budget. As a result, over the next several years, USAID's support will enable the Government of Armenia to incorporate alternative community-based services into annual budget plans, to develop monitoring tools to oversee the process of transition for each target institution, and to establish systems of quality control to monitor child care services.

Colombia: The Government of Colombia (GOC) has developed a multi-sectoral Early Childhood Development (ECD) strategy and implementation plan. In 2010, the GOC introduced the comprehensive ECD strategy, From Zero to Forever. The national strategy, endorsed by all relevant sectors, seeks to ensure that every child in Colombia, particularly the most vulnerable, is guaranteed the constitutional right to free healthcare and education in the early childhood years. From Zero to Forever includes a set of national and district-level actions to promote intersectoral work to improve comprehensive early childhood interventions. The strategy focuses on comprehensive child development and enhanced inter-governmental collaboration through a joint commission that brings together the Ministries of Culture, Social Prosperity, Education, and Health as well as the National Institute of the Family; and emphasizes approaches that address territorial and cultural differences.

USAID named Colombia as a priority country in late 2015. In collaboration with the interagency, USAID has begun discussions on APCA implementation with the GOC. APCA interagency partners will conduct a joint visit during the first half of 2016 to complete planning for APCA implementation in this newly designated priority country.

Question. Referencing the U.S. Department of State's Office of Children's Issues' list of countries receiving technical assistance for adoption, please detail the support that USAID is also providing to these countries either through APCA or another child welfare-related program.

Answer. The Department of State works diligently to support intercountry adoption as a viable option for children in need of permanency throughout the world. The Department believes the Hague Adoption Convention (Convention) is an important tool that supports this goal. To this end, the Department encourages countries to develop robust domestic child welfare policies that support family reunification where appropriate, and domestic adoption, and to become party to the Convention, even as they continue to process intercountry adoptions while such efforts are underway.

To assist countries in their efforts, the Department strongly supports the Hague Permanent Bureau's Intercountry Adoption Technical Assistance Program (ICATAP), which provides assistance directly to the governments of certain countries that are considering becoming parties to the Convention, or that have become party but seek to improve their practices under the Convention.

As in the past, the Department of State makes extensive efforts to offer technical consultation to help promote a smooth transition and continuous adoption processing for countries that are considering or are close to becoming partners under the Convention. The Department is also evaluating ways to assist countries of origin to address deficiencies that hinder adoptions to the United States and exploring what resources might be available to address areas of concern, including public private partnerships.

Many of the countries with which the Department of State works on adoption are not APCA priority countries. However, USAID and Department of State programs currently interface in APCA priority countries: Uganda, Armenia, Moldova, and Cambodia. Programs in each of these countries help advance the deinstitutionalization of children and reintegration of children into family-based care by strengthening country policies, systems and capacities in child welfare and protection, as detailed below:

- Uganda:* USAID/DCOF activities aim to ensure that children are in protective and permanent family care in Uganda by reducing the risks of unnecessary separation of children from their families and facilitating placements of children outside of family care into nurturing families. At the policy level, USAID/DCOF supported the development of the National Action Plan for Children's Well-Being, a cross sectoral program overseen by the Prime Minister's Office. USAID/DCOF programs are also helping to roll out and operationalize the 2012 National Alternative Care Framework by building local and community systems and capacities to provide oversight of child care institutions, serve as gatekeepers for new admissions, and conduct regular home visits to monitor the status of children reunified with families and children under foster care.
- Armenia:* USAID/DCOF assistance is enabling the Ministry of Labor and Social Affairs to develop and implement policies to ensure national compliance with the U.N. Guidelines on Alternative Care for Children. Policies will, for example, promote the closure of residential child care institutions, advance the reunification of children with families and placement of child residents into family care, and improve the capacity of families to care for their children.
- Moldova:* USAID/DCOF works with the Ministry of Labor, Social Protection and Family; the Ministry of Education; and other relevant Ministries to strengthen national child protection systems and legislation as well as to develop and enhance social policies to prevent family-child separation and protect children outside of family care. Programs assist ministries to work with local government authorities across the country to ensure that national child protection policies are implemented and communicated to the public.
- Cambodia:* USAID/DCOF works with UNICEF and Government Ministries to improve enabling child protection policies and strengthen child welfare systems. USAID/DCOF-supported work on the enumeration of children outside of family care will help inform approaches.

Question. To what extent has APCA influenced USAID's overall child welfare assistance and policies?

Answer. Since APCA got underway, USAID has taken important steps to demonstrate its ongoing commitment to institutionalizing the principles of APCA. USAID has done this through the consolidation and strengthening of child safeguarding provisions for Agency personnel, as well as through the codification of regulations applicable to USAID-funded implementing partners in order to advance APCA Objective 3, to "Protect Children from Violence, Exploitation, Abuse and Neglect."

Specifically, USAID added mandatory requirements on child safeguarding to Agency policy provisions. These provisions require partner organizations working under grants or cooperative agreements to adhere to a number of child safeguarding

principles in order to reduce the risk of child abuse, exploitation or neglect within USAID-funded programs. Among these, partners must prohibit employees from engaging in child abuse, exploitation or neglect; institute procedures requiring personnel to report on allegations; and have in place systems for investigating, managing, and taking appropriate action on any such allegations. USAID's child safeguarding policy also mandates organizations to consider child safeguarding within project planning and implementation in order to determine potential risks to children associated with USAID-funded activities and operations, and to apply measures to reduce these risks. The new USAID Child Safeguarding mandatory provisions for grants and contracts complement the USAID Counter Trafficking in Persons (CTIP) Code of Conduct by expanding the range of actions under the C-TIP Code of Conduct to specifically include abuse, exploitation or neglect of children.

In addition, the Agency issued a mandatory policy for USAID personnel, which prohibits all USAID personnel from engaging in child abuse, exploitation or neglect. USAID treats such allegations as suspected cases of employee misconduct that must be reported to the USAID Inspector General.

In updating its global education strategy this year, USAID incorporated language underscoring the importance of safeguarding children's well-being and eliminating gender-based violence and discrimination in educational environments. The revised strategy makes specific reference to APCA Objective 3 as one of the U.S. Government's key strategies promoting the integration of school-related gender-based violence interventions into education programs.

USAID's Office of Foreign Disaster Assistance (OFDA) field-level programming, investments in emergency child protection capacities at the global level, and efforts to strengthen the policy environment, also made significant contributions to the achievement of APCA objectives, particularly in humanitarian settings. For example, USAID/OFDA supported 12 global programs designed to advance policies, practices, and research on effective child protection interventions in emergencies. The programs led to: the development of a tool kit for improved monitoring of country-level child protection response; regional and country specific workshops to help adapt child protection minimum standards to local contexts; the design of technological innovations to improve child protection programming, monitoring, and reporting; and the establishment of program models for safe healing and learning space in emergencies. USAID/OFDA also required humanitarian partners to adopt and operationalize codes of conduct that are consistent with the Inter-Agency standing committee's six core principles for protection from sexual exploitation and abuse.

Finally, building on its multi-sectoral nutrition strategy launched last year, USAID developed technical guidance to assist country missions in programming cross-sectoral nutrition and child development programs for optimal impact. This effort supports the goal of institutionalizing more comprehensive child development approaches. In addition, USAID facilitated rollout of the multi-sectoral strategy in Rwanda and Cambodia. As a result of this support, USAID Cambodia is now initiating comprehensive child development programs to foster child well-being and healthy social and emotional development, achieving the impact noted above.

Question. Has USAID conducted a review of policies and programs related to children in adversity in light of Public Law 109-95?

Answer. Since initiating work under APCA, USAID has given ongoing focus to reviewing and strengthening both the programs and policies needed to improve the development and well-being of children in adversity. Public Law 109-95 specifically indicates, moreover, that to improve targeting and appropriate programming of resources, USAID shall "develop methods to adequately track the overall number of orphans and other vulnerable children receiving assistance, the kinds of programs for such children by sector and location, and any other such related data and analysis."

Over the past few years, to focus APCA programming including in priority countries, USAID has been dedicated to building a robust evidence base that can be used to inform program planning and implementation for vulnerable children as well as to facilitate effective targeting of programs for optimal impact on children's well-being. For example, in Cambodia, USAID has field tested an approach to enumeration that will generate nationally representative estimates of children outside of family care; this methodology can serve as a model for other countries. In Rwanda, Uganda and Cambodia, USAID/DCOF initiated programs in applied research to identify interventions that most effectively reach children at significant risk of family separation. Research activities include pilot interventions to strengthen the child care capacities of caregivers. USAID/DCOF also initiated a package of multi-year applied research activities to better understand how interventions such as household economic strengthening and positive parenting may reduce the risks of children separating from their families.

USAID/DCOF is supporting research to generate improved understanding of how household economic strengthening can help prevent unnecessary family separation and support the reintegration of children into family care. The findings of this research are expected to inform future U.S. Government programming, as well as programming to strengthen family care across governments and organizations. Finally, data from USAID-commissioned evaluations of programs in Moldova, Uganda and Cambodia that supported Objective 2 are now helping to inform the detailed planning of USAID assistance activities in these countries.

Question. Has USAID released Annual Report as required by Public Law 109-95? If not, what is timeline for submission?

Answer. The Annual Report is currently in draft and under review by Agencies. USAID is expecting to release the report by April 15.

Question. What barriers do you see to the full implementation of APCA? Are further actions requested from Congress to ensure implementation?

Answer. USAID remains committed to the full implementation of APCA based on a strong and collaborative interagency approach. To this end, just past the midway point of the 5 year Action Plan, USAID convened interagency representatives in mid-December to jointly review progress to date on the APCA partnership and consider coordinated efforts going forward. Participants reflected on the effectiveness of APCA interagency work, discussed challenges and opportunities in implementing the Action Plan, and considered how to improve collaboration to optimize impact on APCA, particularly in priority countries.

While affirming the interagency's continued commitment to APCA as both a strategy and partnership, Agency representatives uniformly articulated the many continuing challenges to APCA implementation, including budgets guided by different funding streams and related legislative and administrative requirements, inadequate human and resources bandwidth, and different Agency missions and program mandates.

Participants emphasized, however, that despite these constraints and without dedicated funding for APCA, Agencies have effectively applied existing limited resources to advance the achievement of Action Plan priorities. In moving forward, interagency representatives agreed to continuing improving cross-governmental coordination and leveraging of efforts on APCA. Agency representatives also agreed on the importance of expanding partnerships beyond the U.S. Government, to include other donors working in the sector as well as the emerging Global Partnership to End Violence Against Children in support of the U.N.'s Post 2015 Sustainable Development Goals (SDGs).

Question. What steps is USAID currently taking to evaluate past implementation challenges and make recommendations for the Action Plan post-2017?

Answer. Looking ahead to post-2017, USAID and its interagency partners are committed to building on APCA as a strategic framework, embedding APCA as an enduring policy within Agencies, and using APCA as a driver to institutionalize interagency collaboration, including beyond priority countries. Further, in line with mid-December interagency discussions on APCA, USAID is working to collaboratively develop approaches to enhance APCA governance, coordinated country planning, and communications.

Senator GRAHAM. Senator Leahy.

FOREIGN ASSISTANCE DEPENDENCY

Senator LEAHY. Thank you very much.

I look at how USAID is trying to adapt to changes in the way development is financed by increasing partnerships with the private sector and encouraging governments to increase collection of revenue.

You said something last week that speaks to a broader issue, which is that development is not something that you do to people.

I have urged USAID, both in Republican and Democratic administrations, to move away from a model that too often dictates to local populations what needs to be done or does it for them without asking who benefits.

Are you at all concerned that some of our programs may do more to reinforce dependency than foster self-reliance?

Ms. SMITH. I think that is a good question. I think that is an area, Senator, where we have actually made a great deal of progress. I would point to three examples.

One is Feed the Future, which as you know was this Administration's first major development initiative. That program is predicated on countries having their own plans for food security and us working with them to invest in those plans. So from the outset, the agenda, the plan, and the strategy is developed by the countries themselves. We have found that that provides for greater sustainability and for less dependency.

Similarly, under USAID Forward and the drive to rely more on local solutions and local partners, we are now at the point where 16.9 percent of mission funds are programmed through local partners, which, again—

Senator LEAHY. What percentage?

Ms. SMITH. Sixteen-point-nine percent of mission funding. What that does is it brings us closer to the ground, but it also helps build the capacity of those organizations.

I also think we are finding that in health increasingly, and at increasing speed, the ownership of programs is much greater than it has ever been in the past. In a lot of areas, in HIV/AIDS and other things, we started out very much in relief mode, quite frankly, filling a gap. Now what we are seeing in an increasing number of countries that are putting more money in the budgets. They are developing the plans, whether it is for HIV/AIDS, malaria, or other diseases. So I think there is progress on that front, but I think it is something we always have to keep front and center, so that we are really looking to make sure that decisions and strategies are locally owned and, therefore, more sustainable.

USES OF EBOLA FUNDS

Senator LEAHY. There are some who suggest that we use the remaining Ebola funds not to combat Ebola or do things to prevent another Ebola epidemic, but to combat the Zika virus. How do you feel about that?

Ms. SMITH. I have some concerns about that, quite frankly, Senator.

I appreciate the time and attention that Members of the Senate and of the House have given to the issue of Zika as we look at it now, and we think it is serious enough that we have identified a small amount of money, \$2.5 million, that we can go ahead and move out on some public information and communications campaigns in countries affected, so people know how to protect themselves.

The concern about drawing on Ebola money, and I say this as somebody who for 14 months, and from the beginning really, worked this every single day—

Senator LEAHY. That is why I asked the question.

Ms. SMITH. There is still a lot to do. First of all, we have to be prepared for any case and an eventual outbreak. We were fortunate that the case in Nigeria did not turn into a major outbreak. But I say "fortunate." There is a chance that that could happen again. We have to be prepared for that.

We have to help the three countries that were most affected build back their health systems so they do not remain vulnerable—again, we have seen cases in recent weeks, as you know—so they can maintain the capacity to do lab testing, have health care workers who are trained, so that, again, we can respond very, very quickly.

The Global Health Security Agenda is part of what we are using Ebola money for, as directed by Congress and very much with our thanks for the support of the emergency request for Ebola. It is the development solution, if you will. It is building the capacity of countries to prevent, detect, and respond.

The last thing I would say, Senator, is there is still a lot that we do not know. There has never been this large of a pool of Ebola survivors. We are working with other agencies, the CDC and others, are studying some of the findings. And I think we need to be fully prepared to respond to any eventuality that may arise.

AFGHANISTAN

Senator LEAHY. USAID, not counting the other trillions of dollars we spend, has spent over \$17 billion since 2002 on development projects in Afghanistan, even though there are increasing problems with oversight. The U.S. military has reduced their presence there. I know a lot of States would give anything to have a fraction of that amount of money to help people who need it in the United States.

We understand that USAID is using what it calls, and I love these bureaucratic terms, multi-tiered monitoring, ranging from direct observation by the U.S. Government to reports from the contractors that we pay to monitor projects.

The inspector general found numerous problems. Of the 127 awards the inspector general reviewed, there is evidence that multi-tiered monitoring out of those 127 was used as designed for only one, even though USAID's mission statement for 2013 said they would not implement any projects that could not be effectively monitored.

I do not consider one out of 127 as being effective. If you are going to spend \$1 billion in Afghanistan and unable to monitor its use, how do we know what we are paying for, what is sustainable? I think of the huge amount of money we have for reducing poppy cultivation. It has not done diddlysquat as far as reducing it or replacing it with crops people can live on.

As you see can see, I am not a huge fan of the program in Afghanistan.

Ms. SMITH. I detected that, sir. Let me respond. In the 3 months I have been at the agency, I have spent a fair amount of time looking at Afghanistan, and I would share three observations in response to your question.

The first is, I think this may be the hardest mission given to the men and women of USAID. It is a difficult transition. Afghanistan was not poised for sustainable development before the many wars it has seen in the last 20 to 30 years. So it is a hard, uphill climb.

The second observation is I have been pleasantly surprised by some of the progress, despite all of that. If you look at the fact that electricity access has gone from 6 percent to 28 percent. Enrollment

in schools has gone from 1 million to 8 million, many of them girls. University enrollment has gone from 8,000 to 174,000. And now 60 percent of the population lives within 2 hours of a health facility. It is not enough, but it is progress in the face of very difficult circumstances.

In the specific instance that you referred to on multi-tiered monitoring, which is what our teams have to rely on in large measure because they do not have the mobility we might like them to have, the OIG report to which you refer was one that was actually requested by USAID at the behest of our mission to take a look at the gaps in the multi-tiered monitoring system. Obviously, the inspector general found many, as you rightly point out.

As of right now, three of the nine recommendations that were made have been closed, which means that they have been put in place. And the remaining six are on track to be closed by the end of this year.

Senator LEAHY. My time is up, but we should discuss this some more.

Ms. SMITH. I would like to do that. Thank you.

Senator GRAHAM. Senator Moran.

Senator MORAN. Chairman, thank you. Thank you to you and the ranking member for hosting this hearing.

Administrator, welcome. There are a few students from Kansas State University in the audience behind you. They have been on Capitol Hill today advocating for USAID.

Ms. SMITH. Thank you.

Senator MORAN. I knew that you would connect with them. They are actually using their spring break to be here in Washington, DC, on behalf of the mission of USAID. I thank them, and I thank you.

I also sit on the Labor-HHS Subcommittee, and I want to talk to you little bit about Zika and a little bit about Ebola.

Ms. SMITH. Yes.

ZIKA VIRUS

Senator MORAN. The President requested \$335 million for USAID to combat the Zika virus. The bulk of that funding, \$828 million, is earmarked for the CDC. I am interested in knowing what your conversations have been, how you are coordinating, what do USAID and CDC do together to make a difference?

Ms. SMITH. Thank you for that question.

And an extra shout-out to the Kansas State students. It is nice that they are here. It is nice that they are advocating for USAID and especially nice that they are doing that on their breaks.

We work with CDC a lot. We got our main start working with CDC on HIV and AIDS under the President's Emergency Plan for AIDS Relief (PEPFAR). Our most recent experience was really—I am tempted to say helpful, but that is not a word that lends itself to the Ebola response. But actually, we worked hand-in-hand in that, where USAID led the Disaster Assistance Response Team (DART) teams in the field. CDC had the deputy position.

The difference we made in that case, as I would describe it, is CDC brought to bear the main epidemiological expertise that was needed to help us adapt our responses according to the actions of the Ebola epidemic.

So in the case of Zika, CDC has the primary role in working with governments and partners and public health facilities to manage their systems and their responses to Zika with particular emphasis on the epidemiology.

On the USAID side of the equation, our interventions are primarily three.

One is on public information, just getting information to people about what they need to know about this virus, how they need to protect themselves.

The second is on maternal health. As we know, women are affected, in particular, and their children, so again, we want them to have the information they need to protect themselves, but also have the care they need should they get Zika and should they give birth to a child that suffers the impacts of microcephaly.

The third is on vector management, which is about removing the standing water, doing the spraying, and other things that can be done to try to get to the mosquitoes themselves. We have a role in that, based on our work on malaria around the world. CDC's role there is as new insecticides are developed that are more responsive to the specifics of this mosquito, we would work with them to make sure we are incorporating their findings into the work that we do.

EBOLA RESPONSE

Senator MORAN. Thank you. When we have the Director Frieden in front of us, I have an opportunity to ask him a similar question and make sure that this is a concerted, cooperative effort.

It seems to me the Inspector General was critical of USAID's Ebola response, indicating it lacked adequate performance measures. I remember these days when the lead agency was USAID and then we had an Ebola czar. Where did we end up with performance measures? And what did we learn from Ebola that will mean we will do things better, assuming you agree with the Inspector General's analysis?

Ms. SMITH. I was not at USAID at the time. I was at the National Security Council and very involved in the coordination of the response.

I would have to say on performance, having had some experience in my life and career in both health and emergency crisis response, I think the performance was quite impressive. We beat a lethal epidemic the world had never seen before, where there was no capacity on the ground to manage it, an insufficient number of health care workers, labs, and so forth. I think together the work that USAID and CDC did was quite impactful.

Now, we look at what we can learn from that in three important ways. One is in our emergency response, the teams continually look at how we can fine-tune those responses and the work of our DART teams.

The second is to look at how, in terms of capacity, both through the Global Health Security Agenda, but also the work we do in health, we can be doing more and better to build the kinds of systems and capabilities that would leave a more solid foundation on the ground when these situations arise again, which they certainly will.

The third is to look with partners—all agencies, in fact, looked at this—at what had been learned and what we need going forward as a government to respond to these kinds of crises. That would involve USAID and CDC and the State Department and others looking together where we have complementarity, where we have any duplication, where we may have gaps.

Senator MORAN. Thank you very much. I, certainly, want to add my compliment to the efforts on Ebola. There was a lot of criticism, but the outcome, I think, was an amazing success to date and demonstrates that we can respond to make a difference.

Ms. SMITH. Thank you.

CHILD MARRIAGE

Senator MORAN. I want to talk just for a minute—I have a minute and 13 seconds left—child marriage has increased during times of conflict. And in the Syrian refugee communities in Jordan, United Nations Children’s Fund (UNICEF) reports that the proportion of registered marriages that involve girls under the age of 18 has risen from 12 percent in 2011 to 32 percent in 2014. How can birth registration discourage this practice and protect vulnerable girls in conflict from being involved in trafficking?

Ms. SMITH. Those are terrible statistics. Unfortunately, we are seeing incidences of child marriage around the world that are quite alarming.

We approach it broadly in a number of ways. One is to work with and support married children who suffer greatly, as you can imagine. The second is to work with communities and countries to change the norms on child marriage, actually change their laws. But also work at the community level that socializes the notion that, for lots of reasons, children marrying is not a good thing. Third, we try to bring others to the table, whether it be other donors, the private sector, other voices that can elevate this issue.

In circumstances like refugee camps and environments like those surrounding Syria, it is especially difficult, because you do not have even the rudimentary infrastructure of registration that you might have in a community that is settled in its own homeland.

In those cases, what we try to do and what the State Department tries to do with the United Nations High Commissioner for Refugees (UNHCR) is put in place those kinds of systems for birth registration, which is very impactful in terms of trying to trace both the births, particularly of girls, but then trace their well-being going forward.

Senator MORAN. Thank you. You attempted to visit with me prior to this hearing. It was my schedule that did not allow that to happen. I thank you for the outreach and look forward to getting acquainted with you.

Ms. SMITH. I look forward to it also. Thank you, sir.

Senator GRAHAM. Senator Coons.

Senator COONS. Thank you, Chairman Graham.

And thank you, Senator Moran and Chairman Graham, for your interest in the line of questioning around Ebola and Zika. One of the things that I find most encouraging about our work on this subcommittee is the genuine bipartisan interest in ensuring that

USAID's valuable work around the world is as efficient as it can be and as sustainable as it can be.

Administrator, you have already had a long and impressive career in tackling some of the world's toughest challenges. You certainly have stepped up to yet another, so thank you for what you are already doing in your current leadership role.

GLOBAL DEVELOPMENT LAB

Let me talk about the Global Development Lab, if we might for a moment. One of the things that your predecessor was particularly passionate about was bringing analysis and science and better data quality to some of the work of the USAID, which I supported and commend.

The Global Development Lab is designed, in your testimony, to take smart risks, to test out new ideas, and scale successful solutions. I think that is a great idea.

What do you think we need to do together to authorize it, to fund it, and to sustain it?

Ms. SMITH. Thank you. And thank you also for your comments on Ebola. The bipartisan support was helpful but I would also note that it is helpful across-the-board. One of the pleasures of this job is to be able to work with that bipartisan understanding and support.

The Lab is really a valuable addition to the Agency. I think part of my challenge and our challenge over the coming 10 months is to figure out how we can more effectively integrate it within the Agency, while enabling it to do the innovative work that it was created to do, so that we are positioned to take some of those innovations to scale.

We have made requests in the fiscal year 2017 budget for some authorities that would allow the Lab to quickly bring people on for specific tasks. We have included funding for the Lab. We are able also through the Lab and also throughout the Agency to bring private sector partners to bear. I think that is something we need to be able to continue to do.

I think, with your support, we can actually do that and make this a very, very valuable force multiplier for the Agency for the next decade.

DEMOCRACY AND GOVERNANCE

Senator COONS. I am hopeful that we will continue to work on that this year. As you mentioned, this is a year that seems likely to be dedicated to institutionalizing and funding some of the stronger initiatives, whether it is Power Africa or Feed the Future. My hope is that the Development Lab also is counted among them.

One of my concerns in recent years has been that democracy and governance funding was largely eaten away at in order to fund and support laudable, necessary projects like Feed the Future and Power Africa.

Talk to me about the larger question that we face. In a recent speech, you said that we must not allow the urgent to crowd out the important. Chairman Graham was talking about the number of failed or failing states, the very fragile states that are a crescent across North Africa and the Middle East.

I am very concerned about whether we have the capacity and the plan and the vision to actually mobilize the capabilities that we as one of the world's leading democracies have to inspire movement toward sustainable democracies. Tunisia has so far turned out relatively well, but most of the other nations that took part in the so-called Arab Spring, not so much.

In a number of countries that I pay particular attention to, from Somalia to Central African Republic to Nigeria, there are significant challenges. And just addressing the humanitarian side of this does not do enough. We need to do more structural work around democracy.

How do you think we will allow the important to be part of our focus, as well as the urgent?

Ms. SMITH. Thank you for the question. That is one of the big questions on my mind. I think there are several things.

You mentioned some of the major initiatives. I am thrilled that Electrify Africa passed through Congress and has been signed into law by the President. I hope that we will see a similar path for the Global Food Security Act and the Lab and on a number of other things where I think we enjoy strong bipartisan support for what the United States can and should do over time, because they yield real results.

We have seen that in health. I came into the Obama administration and found PEPFAR, which was a lovely thing to find and build on. We have been able to move from what was a very bold idea by President Bush to getting within sight of an AIDS-free generation. I think in access to electricity, in maternal child health, the Global Health Security Agenda, the Lab, and Feed the Future, these are all things that with sustained support, and very well-spent resources, we can register the steady gains that are the buffer against the kind of instability and volatility we see on the other side of the ledger.

You are absolutely right to speak to democracy and governance funding. The fiscal year 2017 request includes a substantial increase that will be applied in almost every region that we work in—I think, in fact, in every region that we work in. It is something our missions have spoken to the need for and have I think very smart ideas about how to invest.

Again, investing those resources in the steady, slow work of building democratic institutions, supporting civil society. While at the same time, we are as USAID and across the rest of the Government and in this Congress, championing the norms that will make a difference over time, it is those steady, patient investments where we invest in what works, institutionalizing where we see the results, that is the biggest and best buffer.

The other thing I will just mention that I think USAID brings to the table, which has perhaps been underutilized in the past, is a great deal of knowledge and analytical capability. I look at the work that USAID does on state fragility, looking at legitimacy and effectiveness of states through a number of indicators and criteria. It is extremely informative. You marry that to our analysis of what has worked and what has not worked in transitions.

And I think, again, our other contribution is to inform how we proceed in these complex challenges when we are trying to take a country from transition to stability.

DATA QUALITY AND PARTNERSHIPS

Senator COONS. Thank you. That leads to my last question very naturally.

USAID Forward was the sort of general name for an initiative of your predecessor that tried to focus on efficiency, on data quality, and on prioritization of effort. One thing that stood out from the IG's report was some concern about data quality. I think you are right that USAID has a remarkable global network of people who actually have insight and experience into how states are doing, what is working and not working, into the investments we have made that have been successful in addressing everything from water to fundamental health to democracy, and insights into what is not working.

How do you intend to work diligently in this 1 year to institutionalize and sustain and carry forward a focus on analytics that is rooted in data quality? And how does partnering with the private sector play into that?

One of the things that I think has been a hallmark of recent years is recognizing that, whether it is Power Africa or Feed the Future, there is real potential and real power in partnering with the private sector in some areas.

Ms. SMITH. I have been very struck. The President, when he issued the Policy Directive on Global Development, he called upon all agencies to use data and evidence to drive our policies and programs. I think USAID has done a spectacular job in 5 years of incorporating quite an impressive rigor.

But the other thing that quite frankly gives me confidence is that it is quite iterative. Every time I meet with the teams to ask what do we know about our progress in health or in this area or that, I am constantly hearing about efforts to improve the data for some of the reasons you point to. The data quality may not be what it needs to be.

We have partnerships with outside organizations and institutions to come in and assess the gaps that we face, and where we have limitations.

So there is a real commitment. I think this is in the men and women of the Agency. I will, certainly, drive it, support it, and demand it, but I think it is coming from the men and women who work in this Agency to continually improve the Agency's ability to drive with evidence. So I will certainly push that, elevate that. But I think we are on a very good path, and there is also recognition in the Agency that, as with any discipline, part of our job is to continually learn.

The private sector helps us with this. There is a lot of experience in the private sector with how to work with data, as well as the Lab, with some of the technologies that are available for us to both track data, aggregate data, and then analyze data. I think it is a really exciting moment for USAID in this area.

Senator COONS. Thank you. I am excited to work with you on many of these initiatives.

Ms. SMITH. Thank you.

Senator COONS. I am grateful to Senator Graham for his leadership of the subcommittee.

FUTURE ASSISTANCE REQUIREMENTS

Senator GRAHAM. Thank you.

Thank you for your testimony. We know that Libya, Syria, and Yemen by any definition are failed states. Five years ago, we had a presence in these countries. Today, we do not. One day, we are going to have a presence, I hope, in these countries, because that means stability is soon to follow.

So that with what Senator Coons was saying—we have some great programs that need funding, Feed the Future, Power Africa. These are foundational programs. And you have a world on fire.

So what I would like is if you could inform the subcommittee, from your point of view, what we should expect that your agency will be doing in the next 4 or 5 years in this region, but really throughout the world, so that we can budget accordingly.

I just do not see how we can put out all these fires and then create programs inside these countries that more than put out a fire. The only way you are going to create stable governments is to have institutions that bring about stability. That is lot different than feeding refugees.

From my point of view, the democracy programs are just as important as any weapon system we buy, because once you kill the enemy, if you do not follow up, you are going to get the same result.

When it comes to Afghanistan, it is a very difficult place to operate, but in the last 16 years, 15 years, there has been enormous progress on multiple fronts. I do not know what has cost \$17 billion. I know what 9/11 cost. It cost over \$1 trillion.

So what I would like you to be a little more sensitive to is how you bring about stability. It is just not enough to destroy a terrorist organization, take a dictator down. Somebody has to deal with what follows. You have three countries where we do not have a presence. One day, I hope we will.

If you could report back to the subcommittee, from your point of view, what people following you in the next 5 years will be doing in terms of Libya, Syria, and Yemen? How much will that cost, so we can start planning?

You are welcome to respond, if you would like.

Ms. SMITH. Sure, Senator. My slight hesitation is that I have 10 months, and it is both a luxury but a little bit awkward to speak to what my successors are going to do. Let me make a run at it and inform it by something I did recently, which was to meet with all the former USAID Administrators, who I think would share this view.

Senator GRAHAM. One suggestion is that we know what we did in Iraq. We know what we have done in Afghanistan. Well, where we screwed up, let's not screw up again. But I think Syria and Iraq are relatively similar-sized. If Iraq is any indication of what we would be spending in Syria—and it may not be; hopefully, we will not have to do all the things we did in Iraq—but that is a guide.

Do you see what I am saying, if we did a fraction of what we did in Iraq?

Ms. SMITH. So in response to your question, I would say a couple things and with the qualification that in this request, we are operating on the basis of a bipartisan budget agreement—

Senator GRAHAM. Yes. I am trying to get information to maybe justify additional funding.

Ms. SMITH. I hear you. I am about to speak to that.

I think that to support those transitions over time, how much we spend is as important as how we spend it. Again, so I would point to two things. One is resources, and the second is flexibility.

We often go into transitions—you mentioned Iraq as an example. A huge amount of money was spent, and I think we sometimes, as I said earlier, want to have government in a box built in 2 years. I would argue that we should start smaller, get success in ministries where we can show that government actually works, and build on it.

That will take more resources as we get peace and openings in these three countries and others. I think there is no question that, over the coming 5 years, there is going to be a need for some decisions to be taken on how we finance our soft power. You have been a great champion of this, for which we are deeply appreciative.

But again, I would marry the need for additional resources to the need for flexibility to be able to adapt to rapidly changing environments.

But I think my successors, I hope they will be spending additional resources. I hope they will have that flexibility.

Senator GRAHAM. Where you can help us, inform us the best you can of what to expect in the coming years. You do not have to be mathematically certain, but just a general idea.

Mr. Don Gressett, thank you for your efforts as a detailee to the subcommittee.

With that, the subcommittee is adjourned.

The record will be open until Friday.

SUBCOMMITTEE RECESS

[Whereupon, at 3:37 p.m., Tuesday, March 15, the subcommittee was recessed, to reconvene subject to the call of the Chair.]